Ref. No: HSCL / Stock-Ex/2025-26/32
Date: 20/05/2025

E-mail: monika@himadri.com

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

Sub: Notice of 37th Annual General Meeting (AGM) and Annual Report for the financial year 2024-25

Dear Sir/Madam,

In furtherance to our letter dated 16 May 205 and pursuant to Regulation 30 and 34 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are enclosing herewith a copy of Annual Report of the Company for the financial year 2024 25, along with Notice of the 37th AGM to be held on **Thursday, 12 June 2025** at **11:00 a.m. (IST)** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") in compliance with the Ministry of Corporate Affairs General Circular No.09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133, dated October 3, 2024 issued by Securities and Exchange Board of India ("SEBI Circular").

The said Notice and Annual Report for the financial year 2024-25 are being sent through e-mails to the Members of the Company at their registered e-mail addresses and the same will also be available on the website of the stock exchange(s) i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

In terms of Regulation 46 of the SEBI Listing Regulations, the said Annual Report and Notice of the 37th AGM and other relevant documents will also be available on the website of the Company at www.himadri.com

We request you to kindly take on record the same.

Thanking You,

Yours faithfully,
For Himadri Speciality Chemical Ltd

Monika Saraswat
Digitally signed by Monika Saraswat
Date: 2025.05.20 13:34:08 +05'30'

(Company Secretary & Compliance Officer)
ACS: 29322

Enclosed: a/a

Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

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

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

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

Notice to the Members

NOTICE is hereby given that the 37th Annual General Meeting (**"AGM"**) of the Members of Himadri Speciality Chemical Ltd (**"Company"**) will be held on Thursday, 12 June 2025 at 11:00 a.m. (IST) through Video Conferencing (**"VC"**)/ Other Audio-Visual Means (**"OAVM"**) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company together with the report of the Board of Directors and Auditors' thereon for the financial year ended 31 March 2025.

2. To declare a final dividend of ₹ 0.60 (60%) per equity share of face value of ₹ 1 each for the financial year ended 31 March 2025.

3. To appoint a Director, in place of Mr. Shyam Sundar Choudhary (DIN: 00173732), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To ratify remuneration of Cost Auditor for the financial year ending 31 March 2026

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the rules framed thereunder and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the remuneration of ₹ 1,00,000/- (Rupees One Lakh only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses incurred in connection with the cost audit, payable to Mr. Sambhu Banerjee, Cost Auditor (Membership No. 9780), who has been appointed by the Board of Directors as the Cost Auditor for conducting the audit of the Cost Accounting Records as required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending 31 March 2026, be and is hereby ratified and confirmed;

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

5. To approve the appointment of M/s LABH & LABH Associates, Company Secretaries, as Secretarial Auditor of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") read with Rule 9 of 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), Regulation 24A and other applicable provisions, if

Notice (Contd.)

any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon recommendation of Audit Committee and Board of Directors, M/s LABH & LABH Associates, Company Secretaries (FRN: P2025WB105500) be and are hereby appointed as Secretarial Auditor of the Company to hold office for a term of 5 (Five) consecutive years, i.e. from financial year 2025-26 to financial year 2029-30 at a remuneration to be fixed by the Board of Directors of the Company in consultation with the Secretarial Auditor of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to decide and/or alter the terms and conditions of the appointment including remuneration for subsequent financial years as it may deem fit;

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

6. To appoint Mr. Amitabh Srivastava (DIN: 09704968) as an Independent Director of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the rules framed thereunder and Regulation 16, 17 and 25 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Amitabh Srivastava (DIN: 09704968), who was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company with effect from 21 April 2025, based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors in terms of Section 161 of the Act and who has submitted the necessary declaration to the effect that he meets the criteria for independence as prescribed in the Act and SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for the first term, for a period of 5 (five) consecutive years with effect from 21 April 2025 to 20 April 2030, on such terms and conditions as detailed in the explanatory statement annexed thereto;

RESOLVED FURTHER THAT Mr. Amitabh Srivastava, shall be entitled to the sitting fees (if any), as may be prescribed by the Board and subject to the limits prescribed under Section 197(1) of the Act and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and rules and regulations made there under;

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

7. To re-appoint Mr. Shyam Sundar Choudhary (DIN: 00173732) as Whole-time Director of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the

Notice (Contd.)

Companies Act, 2013 ("Act") 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), Regulation 17(6)(e) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with relevant provisions of the Articles of Association of the Company, and upon recommendations of Nomination & Remuneration Committee and the approval of Audit Committee and Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Shyam Sundar Choudhary (DIN: 00173732) who has attained the age of 77 (seventy seven) years, as the Whole-time Director of the Company, liable to retire by rotation, for a period of three (3) consecutive years with effect from 01 April 2025 to 31 March 2028, on such detailed terms and conditions including remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting with the authority to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of the said re-appointment and remuneration, in such manner as may be agreed to between the Board and Mr. Shyam Sundar Choudhary, subject to the same not exceeding the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment(s) thereof;

RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Act and rules made thereunder, if in, any financial year during his tenure, the Company has no profits or inadequate profits, Mr. Shyam Sundar Choudhary will be paid minimum remuneration within the ceiling limit prescribed under Schedule V of the Act, or any modification or re-enactment thereof;

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

8. To approve and adopt the amended Articles of Association of the Company

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

"**RESOLVED THAT** pursuant to the provisions of Section 5, 14 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other requisite approvals, if any, as may be required, approval of the Members of the Company be and is hereby accorded for adoption of amended Articles of Association, as available for inspection on the website of the Company, in substitution of and to the exclusion of the regulations contained in the existing Articles of Association of the Company.

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

Notice (Contd.)

9. To approve transactions under Section 185 of Companies Act, 2013 for granting inter-corporate loans to or provide guarantee or security in favour of persons in whom any of the directors are interested

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

"**RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules made thereunder, (including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and approval of the Board of the Directors and Audit Committee, consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which expression shall mean and include any duly constituted Committee thereof to which authority has been delegated by the Board) to advance loan and/or give guarantee and / or give security in connection with a loan taken by any company, body corporate or any other entity in which any of the Directors of the Company is interested/deemed to be interested, in one or more tranches as the Board in its absolute discretion deem beneficial and in the interest of the Company as per the schedule below, for an aggregate amount of upto ₹ 725 Crores (Rupees Seven Hundred Twenty Five Crores).

Name of the Borrower Company	Means of Financing	Amount not exceeding (₹ in Crores)
i. Himadri Birla Tyre Manufacturer Private Limited	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	250
ii. Trancemarine and Confreight Logistics Private Limited	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	100
iii. Sturdy Niketan Private Limited	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	300
iv. Invati Creations Private Limited	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	75
	Total	**725**

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and finalize the terms and conditions while advancing such loan and/or give guarantee and / or give security within the aforesaid limits and in compliance with applicable provisions of the Act, from time to time, and to execute all deeds, documents and other writings and to do all such acts, deeds and matters and things as may be required and expedient for implementing and giving effect to this resolution;

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

By Order of the Board

Sd/-
Monika Saraswat
Company Secretary & Compliance Officer
ACS: 29322

Place: Kolkata
Date: 21 April 2025

Notice (Contd.)

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, (**"Act"**) setting out material facts relating to Special Business under Item No. 4, 5, 6, 7, 8 & 9 of the Notice to be transacted at the 37th AGM is annexed hereto. The recommendation of the Board of Directors of the Company (**"Board"**) in terms of Regulation 17(11) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) is also provided in the said Statement.

2. The Ministry of Corporate Affairs, Government of India (**"MCA"**) has, vide its circular No. 9/2024 dated September 19, 2024, read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars"), *inter-alia* allowed conducting of AGM through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") facilities to be held on or before September 30, 2025, which does not require physical presence of the Members, Directors, Auditors and other persons at common venue. The Securities and Exchange Board of India ("SEBI") has also, vide its Circular No. SEBI/HO/CFD/CFDPoD- 2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular"), provided certain relaxations from compliance with certain provisions of the SEBI Listing Regulations. In compliance with the provisions of the Act, SEBI Listing Regulations, MCA Circulars and SEBI Circular and all other relevant circulars issued from time to time, the 37th AGM of the Company is being conducted through VC / OAVM facility. The deemed venue for the 37th AGM shall be the Corporate Office of the Company situated at Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001. Hence, Members can attend and participate in the AGM through VC/ OAVM only. The detailed procedure for participating in the meeting through VC / OAVM is given in the Notice under Note No. 28.

3. The 37th AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Act, SEBI Listing Regulations, and read with all the applicable MCA and SEBI Circulars.

4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations, revised Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (**"NSDL"**) for facilitating voting through electronic means, as the authorized agency. NSDL will be providing facility for voting through remote e-Voting, for participation in the 37th AGM through VC/ OAVM facility and e-Voting during the 37th AGM. The instructions and other information relating to e-Voting are given in the Notice under Note No 28. Once the vote cast by the Member, the same shall not be allowed to be changed subsequently or cast again.

5. In terms of the MCA Circulars, since the physical attendance of the Members has been dispensed with, there is no requirement for the appointment of proxies. Accordingly, the facility to appoint proxies to attend and cast vote on behalf of the Members is not available for this AGM. However, in pursuance of Section 113 of the Act, and rules made thereunder, the Members who are Body Corporate(s) are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through remote e-Voting and e-Voting during the 37th AGM of the Company.

6. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body resolution/authorization etc., with attested specimen signature of the duly authorized signatory(ies) authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through the remote e-Voting and e-Voting during AGM, to the Scrutinizer by email through its registered email address to rajaghosh2002@gmail.com with a copy marked to monika@himadri.com and evoting@nsdl.com

7. The quorum for the AGM, as provided in Section 103 of the Act, is thirty members (including a duly authorized representative of a body corporate) and Members present in the meeting through VC/OAVM shall be counted for the purpose of quorum pursuant to MCA Circulars and other applicable circulars.

8. **Dispatch of Annual Report through E-mail**

   In accordance with the MCA Circulars and Circular No. SEBI/HO/CFD/CFDPoD- 2/P/CIR/2024/133 dated October 3, 2024 issued by SEBI, the Notice of the 37th AGM along with the Annual Report of the Company for the financial year ended 31 March 2025 are being sent only through electronic mode (e-mail) to those Members whose email addresses are registered with the Company or the Registrar

Notice (Contd.)

and Share Transfer Agent ("RTA") or with their respective Depository Participant/s (DPs).

Members may note that the Notice and Annual Report for the financial year ended 31 March 2025 is also available on the Company's website www.himadri.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) at www.evoting.nsdl.com. The Company will also be sending printed copies of the Annual Report 2024-25 to the shareholders on receipt of specific requests.

9. **Record Date:** Record Date will be Friday, 23 May 2025 to determine those Members who will be entitled to receive dividend which will be declared at the AGM.

10. **Dividend:** Subject to the approval of the Members at the AGM, the dividend will be deposited in a separate bank account within 5 (five) days from the date of declaration of the dividend and will be paid to the Members, subject to deduction of tax at source, as applicable, whose names appear on the Company's Register of Members as on the **Record Date (i.e., 23 May 2025)** and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details and to the Members who have not updated their bank account details, dividend shall be paid to them electronically only upon completion of KYC and bank account details.

11. **Tax Deductible at Source:** Pursuant to the Income-tax Act, 1961, dividend income will be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Income-tax Act, 1961 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

    - A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to skcdivit@gmail.com or investors@himadri.com. Shareholders are requested to note that incase their PAN is not registered, tax will be deducted at a higher rate of 20%.
    - Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. self -attested copy of the Permanent Account Number (PAN Card), if any, allotted by the Indian authorities; self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident; self-declaration in Form 10F. Self-declaration confirming not having a Permanent Establishment in India and eligibility to Tax Treaty benefit by sending an email to skcdivit@gmail.com or investors@himadri.com. TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.

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

12. **Updation of PAN and KYC details**

    Physical Holding:

    SEBI vide its Circular March 16, 2023 subsequently rescinded due to issuance of Master Circular dated May 17, 2023 and amended by November 17, 2023, and further amended by Master Circular dated May 07, 2024, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, in respect of such folios only through electronic mode with effect from 01 April 2024 upon completion/submission of the requisite documents/details in entirety.

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

    i. Form ISR-1: Request for Registering PAN/KYC, Bank details or Changes/Updation thereof

    ii. Form ISR-2: Confirmation of Signature of Shareholders by the Banker

Notice (Contd.)

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

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

Demat Holding:

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

The Company has sent reminders to those shareholders whose bank details are not available with the RTA, requesting them to update KYC to enable the Company for payment of dividend. The Company, before processing the request for payment of Unclaimed / Unpaid Dividend, has been in practice obtaining necessary particulars of Bank Account of the Payee.

13. Nomination facilities

Section 72 of the Act read with Rule 19(1) of Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of a company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In case the shares are held in physical mode, the nomination form may be obtained from the Registrar & Share Transfer Agent. In case of shares held in Demat form, such nomination is to be conveyed to the DP as per the formats prescribed by them.

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

i. Form ISR-3: Declaration to Opt-out of Nomination

ii. Form SH-13: Nomination Form

iii. Form SH-14: Change in Nomination

iv. Form SH-14 and ISR-3: Cancellation of Nomination

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

14. Dispute Resolution Mechanism (SMART ODR): In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/ investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), introduced the Online Dispute Resolution (ODR) Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company at https://www.himadri.com/home/investor_information. The SMART ODR Portal can be accessed at: https://smartodr.in/login.

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

As per the SEBI mandate, the Company shall issue 'letter of confirmation(s)' in lieu of physical securities certificate(s) while processing shareholders' requests such as, transmission, transposition, subdivision, consolidation, renewal, exchange and change/deletion of names of shareholders. The securities holders/claimants are required to apply for dematerialization of securities on the basis of the 'letter of confirmation(s)' within a period of 120 days from the date of its issuance.

Notice (Contd.)

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

    Pursuant to the provisions of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the relevant circulars and amendments thereto ('IEPF Rules') the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the IEPF, constituted by the Central Government.

    The amount of unpaid dividend for the year ended 31 March 2018 and onwards is lying in separate banking accounts for the respective years. Members who have not claimed dividend for the year ended 31 March 2018 and onwards, if any has been provided an opportunity to claim such dividend by sending a letter under their signature along with one cancelled cheque/bank details, claiming the amount of unpaid dividend, so as to reach with the Company's RTA, M/s S.K. Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032.

    Members are hereby informed that the dividend for the financial year ended 31 March 2018 declared at the AGM held on 04 September 2018, is also due to be transferred to IEPF Authority on 10 October 2025, after expiry of the period of seven years. The details of those Members who have not claimed dividend for a consecutive period of seven years or more and the relevant details of shares due to be transferred to the IEPF Authority, is available on Company's website at www.himadri.com under Investors Section.

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

17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled in and signed Form ISR – 4. The said form can be downloaded from the Company's website, www.himadri.com.

18. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA for consolidation into a single folio.

19. Non-resident Indian Members are requested to inform the Company's RTA, M/s S. K. Infosolutions Pvt. Ltd., D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, email: skcdilip@gmail.com, immediately of :

    (a) Change in their residential status on return to India for permanent settlement.

    (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

20. The Board has appointed CS Rajarshi Ghosh, Practising Company Secretary (FCS: 12595; C.P. 8921), as the Scrutinizer to scrutinize the remote e-voting process and also e-voting during the meeting in a fair and transparent manner. The Scrutinizer shall, after the conclusion of e-voting at the 37th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.

21. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.himadri.com and on the website of the NSDL at www.evoting.nsdl.com immediately after declaration. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

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22. A recorded transcript of the meeting shall be uploaded on the website of the Company www.himadri.com and the same shall also be maintained in the safe custody of the Company.

23. The scanned copies of the relevant documents referred to in the accompanying notice/explanatory statement will be made available at www.himadri.com for inspection by the Members at the AGM, up to the date of this AGM.

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

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

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

    Name: **Ms. Monika Saraswat**

    Designation: Company Secretary and Compliance Officer

    Corporate Office: 8, India Exchange Place, 2nd Floor, Kolkata-700001

    Email id: monika@himadri.com;

    Phone No.: 033-2230 9953

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

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

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

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

i. The Members are requested to join the 37th AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting i.e. 11:00 A.M. (IST) by clicking on the link https://www.evoting.nsdl.com under Members login, where the EVEN of the Company will be displayed, by using the remote e-voting credentials and the same shall be kept open throughout the meeting. The Members are also requested to follow the procedure mentioned in these notes.

ii. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

iii. In line with the MCA Circulars, the Notice calling the 37th AGM has been uploaded on the website of the Company at www.himadri.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. www.evoting.nsdl.com.

iv. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of the Company will be displayed. Please note that the Members

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who do not have the User ID and password for e-voting or have forgotten the User ID and password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of NSDL.

v. Members who would like to express their views or ask questions during the 37th AGM of the Company will be required to register themselves as a speaker by sending e-mail to the Company Secretary & Compliance Officer at himadriagm2025@himadri.com from their registered e-mail address mentioning their name, DP ID and Client ID number/folio number, email id, mobile number. Only those members who have registered as speakers till 06 June 2025 will be able to speak at the meeting.

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

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

vii. When a pre-registered speaker is invited to speak at the meeting, but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed. Please note that Members connecting from mobile devices or tablets or through laptops etc connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

viii. Members desiring any information regarding the Financial Statements of the Company to be placed at the AGM are requested to write to the Company through email on himadriagm2025@himadri.com till 06 June 2025 so as to enable the management to keep the information readily available at the meeting.

ix. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at himadriagm2025@himadri.com. The same will be answered by the Company suitably.

x. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

xi. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not casted their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. After the members participating through VC/OAVM facility, eligible and interested to cast votes, have casted their votes, the e-voting will be closed with the formal announcement of the closure of the 37th AGM of the Company.

a. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 37th AGM of the Company through VC/OAVM facility.

b. Members who need assistance before or during the AGM with use of technology, can:

- Send a request at evoting@nsdl.com or use Toll free no.: 1800-222-990.

xii. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

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

i. The remote e-Voting period shall begin at **09:00 a.m. (IST) on 08 June 2025 and ends at 5:00 p.m. (IST) on 11 June 2025.** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 05 June 2025,** may cast their vote electronically. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The remote e-Voting module shall be disabled by NSDL for voting thereafter and the facility shall forthwith be blocked.

ii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date i.e. 05 June 2025.** Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as of the **cut-off date i.e. 05 June 2025,** may obtain the login ID and password by sending a request at evoting@nsdl.com

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

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Type of shareholders	Login Method
	4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

B) **Login Method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

How to Login to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********.
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

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

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

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

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form. The .pdf file contains your 'User ID' and your 'initial password'.

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

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

   a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

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

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

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

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

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

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

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company's email id at investors@himadri.com or, Company's RTA email id at skcdilip@gmail.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's email id at investors@himadri.com or, Company's Registrar and Share Transfer Agent email id at skcdilip@gmail.com. If you are an individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing above mentioned documents.

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

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

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-Voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

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

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

2. Members are encouraged to join the meeting through laptops for a better experience.

3. Further Members will be required to allow a camera and use the Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

General Guidelines for Shareholders

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

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Pritam Dutta, Assistant Manager at pritamd@nsdl.com / evoting@nsdl.com

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

The following Statement sets out all material facts, rationale and recommendation of the Board relating to the Business set out in item no. 4 to 9 of the accompanying Notice dated 21 April 2025

Item No. 4

The Board at its meeting held on 21 April 2025, on the recommendation of the Audit Committee has considered and approved the appointment of Mr. Sambhu Banerjee, Cost Accountant, (Membership No. 9780) as the Cost Auditor of the Company for conducting audit of Cost Accounting Records as required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 for the financial year 2025-26 at a remuneration of ₹ 1,00,000/- (Rupees One Lakh only) per annum plus GST as applicable and reimbursement of actual travel and out of pocket expenses.

Pursuant to Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board on the recommendation of the Audit Committee, is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is being sought to pass an ordinary resolution as set out under Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31 March 2026.

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

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

Item No. 5

Securities and Exchange Board of India ("SEBI") vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated December 12, 2024, has amended Regulation 24A of SEBI Listing Regulations. As per the said amendment to Regulation 24A of the SEBI Listing Regulations, which came into effect from 01 April 2025, the appointment of Secretarial Auditor shall be approved by the Members at the AGM of the Company and the tenure of the Secretarial Auditor in case of an individual Company Secretary in Practice, should be for a maximum of one (1) term of five (5) consecutive years or in case of a Firm of Company Secretaries in Practice, for a maximum of two (2) terms of five (5) consecutive years. However, any association of the individual or the firm as the Secretarial Auditor of the listed entity before 31 March 2025 shall not be considered for the purpose of calculating the tenure under Regulation 24A of the SEBI Listing Regulations.

Pursuant to the above requirement, the Board at its meeting held on 21 April 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company the appointment of "M/s LABH & LABH Associates", Company Secretaries (FRN: P2025WB105500) a peer reviewed firm, as Secretarial Auditor of the Company for a period of five consecutive financial years, i.e. from financial year 2025-26 to financial year 2029-30 in terms of Regulation 24A of the SEBI Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 ("SEBI Circular") read with provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The appointment is subject to shareholders' approval at the AGM.

After evaluating all proposals and considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc., M/s LABH & LABH Associates, has been recommended to be appointed as the Secretarial Auditors of the Company. The authority to decide the remuneration for the balance period of the tenure has been delegated to the Board of Directors which shall be decided mutually by them and the secretarial auditor.

The Company has received written consent from M/s LABH & LABH Associates and a certificate that they satisfy the qualification criteria provided under SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 ("SEBI Circular") and that the appointment, if made, shall be in accordance with the applicable provisions of the Act, Rules framed thereunder, SEBI Listing Regulations, SEBI Circular and other applicable circulars, if any, in this regard. The firm has agreed to the said appointment, and confirmed that their appointment, if made, would be within the limits specified under the Act. They have further confirmed that they are eligible for the proposed appointment as Secretarial Auditor of the Company and have not incurred any of the disqualifications as specified vide the said SEBI Circular.

While recommending M/s LABH & LABH Associates for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. M/s LABH & LABH Associates was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

Brief Profile & Credentials:

"**M/s LABH & LABH Associates**" is a firm of Practicing Company Secretaries led by CS Atul Kumar Labh, Practicing Company Secretary and a Senior Partner of the firm. Mr. Labh is a member of the Institute of Company Secretaries of India since 1996 and is having more than 29 years of extensive experience in company law, SEBI matters, capital markets, corporate restructuring, business planning and other gamut of corporate affairs.

Mr. Labh is also a member of National Company Law Tribunal Kolkata Bar Association, Calcutta Study Circle on Corporate Law & Allied Subject and Direct Tax Professionals' Association. He is also empaneled as Mediator/Conciliator with RD, Eastern Region, Ministry of Corporate Affairs. He also acted as an Arbitrator Member with BSE, NSE & CDSL and was a member of Corporate Governance Committee of the Bengal Chamber of Commerce & Industry. He is a regular faculty member of ICSI, ICAI, ICMA and other professional forums and has contributed articles to professional magazines. Mr. Labh acts as a Corporate Consultant, providing specialized, high-quality professional services to a diverse clientele, including private and public sector organizations.

The Firm comprises of competent team members and associates having expertise in legal, secretarial, financial and other allied subjects. The Firm leverages a modern infrastructure, competent staff and a network of associates across India to meet the dynamic evolving needs of the corporate world. All the partners of the firm are having the Peer Review Certificate from the Institute of Company Secretaries of India.

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Terms of Appointment:

Appointment is proposed for a period of 5 (five) consecutive financial years, i.e. from financial year 2025-26 to financial year 2029-30, subject to approval of the Members of the Company in the forthcoming 37th AGM of the Company, as Secretarial Auditor of the Company at a remuneration of ₹ 3,50,000/- p.a. excluding GST plus out of pocket expenses at actuals, for each financial year subject to revision as mutually agreed between the Board and the Secretarial Auditors in due course during the tenure of appointment. The proposed fees are determined based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks.

Considering the expertise and profile of the firm, the resolution for appointment of the firm is proposed for approval of the members of the Company.

Additional fees for statutory certifications and other professional services will be determined separately by the management, in consultation with the Secretarial Auditor and will be subject to approval by the Board of Directors and/or the Audit Committee. The remuneration for the subsequent years from 2026-27 to 2029-30 will also be approved by the Board and/ or the Audit Committee.

None of the Directors or Key Managerial Personnel and/ or their relatives in any way, financially or otherwise, is interested or deemed to be interested in the proposed resolution.

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

Item No. 6

Mr. Amitabh Srivastava (DIN: 09704968) has been appointed as an Additional Director in the category of Non-executive Independent Director with effect from 21 April 2025 by the Board at its meeting held on 21 April 2025 on the recommendation of the Nomination & Remuneration Committee, subject to the approval of the Members at the forthcoming AGM.

Pursuant to the provisions of Section 161 of the Act, Mr. Srivastava will hold office upto the date of ensuing AGM. Mr. Srivastava has given his consent to act as an Independent Director of the Company and he has also submitted necessary declarations to the effect that he meets the criteria for independence as prescribed in Section 149(6) and other applicable provisions of the Act and Regulation 16(1)(b) and other applicable provisions of SEBI Listing Regulations.

In terms of Regulation 25(8) of the SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfils the conditions specified in the Act, rules framed thereunder and the SEBI Listing Regulations, for being appointed as an Independent Director and he is independent of the management of the Company.

The Company has also received a declaration to the effect that Mr. Srivastava is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of SEBI Order or any other authority, pursuant to BSE circular dated 20 June 2018.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing his candidature for the office of Director, for a period of 5 (five) consecutive years with effect from 21 April 2025.

Brief Profile of Mr. Amitabh Srivastava:

Mr. Amitabh Srivastava, aged about 61 years, is a Graduate in Management Studies (1984) and Post Graduate in Economics (1986) from Bhopal. He has had a distinguished career in Steel Authority of India Ltd (SAIL), a prestigious Maharatna of Govt of India, which he joined in 1986 at IISCo Steel Plant, Burnpur. He rose to the position of Chief General Manager (Materials Management) in 2018 at IISCo Steel Plant, Burnpur. After completing his stint as CGM (MM), Mr. Srivastava assumed the charge of Executive Director (MM) SAIL-Bokaro Steel Plant in 2021. He also took the Additional charge of Executive Director (Personal & Administration) at Bokaro Steel Plant. During this period, he was also appointed as Director of M/s Mjunction Services Ltd, a JV company of SAIL and Tata Steel Ltd. During his tenure in SAIL, lasting more than 37 years played a pivotal role in introducing the latest models and techniques of Supply Chain Management to bring more transparency, accuracy and accountability in all the functions of Procurement and Stores Management. He is also credited with implementing digitalization in all the activities Materials Management functions in SAIL. He was awarded the prestigious Jawahar Award in 2008 considering his outstanding contributions in procurement of critical Raw Materials and Refractories. He is a Life member of Indian Institute of Materials Management.

The Board, based on the recommendation of the Nomination and Remuneration Committee considered that Mr. Srivastava is a person of integrity and has relevant experience and expertise to be appointed as Independent Director of the Company, for the aforesaid term and his association with the Company as an Independent Director would be beneficial to the Company. The Board, based upon his declaration of Independence and declaration of compliance under Rule 6 (1) and (2)

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of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding inclusion of his name in data bank for Independent Directors maintained by the Indian Institute of Corporate Affairs is of opinion that he fulfils the conditions specified in the Act and the Rules made thereunder and SEBI Listing Regulations for his appointment as an Independent Director.

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

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

Except Mr. Srivastava, being the appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

The Board recommends passing of the Resolution as set out under Item No.6 of this Notice for approval by the Members of the Company as a Special Resolution. Brief Profile of Mr. Srivastava pursuant to para 1.2.5 of SS-2 ("Revised Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is annexed as **Annexure - III** to the explanatory statement.

Item No. 7

The Members of the Company at the 32nd AGM of the Company held on 11 December, 2020, passed a special resolution and approved the appointment and terms of remuneration of Mr. Shyam Sundar Choudhary, Whole – time Director for a period of 5 (Five) years with effect from 01 April 2020 to 31 March 2025.

Based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 27 January 2025 and approval of Audit Committee and the Board at their respective meetings held on 27 January 2025 has approved the reappointment of Mr. Shyam Sundar Choudhary as Whole-time Director for a period of 3 (Three) years with effect from 01 April 2025 to 31 March 2028, subject to approval of the Members.

Brief Profile of Mr. Shyam Sundar Choudhary:

Mr. Shyam Sundar Choudhary, Whole-time Director (Promoter) of the Company, aged about 77 years, is a commerce graduate. He has about 52 years of experience in Industrial and Commercial activities. He has been associated with the Company as a promoter director since incorporation and since then the Company has been benifitting from his guidance and supervision. Mr. Choudhary is on the Board of Directors of the Company since 1987. He is the key driving force behind the Company's project expansion and implementation activities as well as future business expansion strategies and plans for the Company. Under his supervision, there has been multifold capacity expansion across all businesses. He has successfully commissioned various new projects of the company way ahead of the scheduled time delivering the state-of-the-art technology plants. Beyond his responsibilities in project management domain, he also takes on the crucial role of guiding the CSR initiatives of the Company, identification, implementation and monitoring CSR Projects and activities, promoting a CSR culture among employees and ensuring that everyone in the organization is aware of responsible social and environmental practices. Under his leadership the Company undertook various CSR Projects and activities like Rural Development Project for constructing Pucca houses in place of Kutcha houses for Economically Weaker Sections (EWS) of the society in the village area surrounding or adjoining to Company's plant at Mahistikry, Heath Care Project for Setting up of Nursing Home etc.

Pursuant to provisions of Section 196 of the Act, the appointment of person who has attained the age of Seventy years shall be made by passing special resolution and explanatory statement shall indicate the justification for appointment of such person. Mr. Shyam Sundar Choudhary had attained the age of 77 years and accordingly justification thereof is given hereunder.

Justification of appointment Mr. Shyam Sundar Choudhary after the age of 70 years

Keeping in view that Mr. Shyam Sundar Choudhary has rich and varied experience in industry and corporate management, and he has been involved in the operations of the Company since incorporation. Having regard to the experience and knowledge and contribution to the business of the Company, the Board is of the view that the re-appointment of Mr. Shyam Sundar Choudhary as Whole –time Director will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to them commensurate with his abilities and experience. Accordingly, the approval of members is being sought for passing Special Resolution for the reappointment of Mr. Choudhary as a Whole-time Director for a further period of three years.

Mr. Shyam Sundar Choudhary (Whole Time Directors") satisfies all the conditions set out in Part I of Schedule V to the Act and also conditions set out under Section 196 of the Act for being eligible for his appointment. He is not

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disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Shyam Sundar Choudhary presently is being paid a remuneration of ₹ 300 Lakhs per annum plus perquisites as approved by the Members on 24 March 2023 by passing resolution through postal ballot.

Based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 27 January 2025 and approval of Audit Committee and the Board at their respective meetings held on 27 January 2025 has approved the remuneration of Mr. Shyam Sundar Choudhary upto ₹ 350 Lakhs per annum plus performance linked incentives and perquisites w.e.f. 01 April 2025, subject to approval of the Members.

The Company has not committed any default in payment of dues to any bank or public financial institution or any other secured creditors. The Company has not issued any Non-Convertible Debentures.

The Board recommends passing of the Resolution as set out under Item No. 7 of the Notice for approval by the Members of the Company as a Special Resolution.

Except Mr. Anurag Choudhary, Mr. Shyam Sundar Choudhary, Mr. Amit Choudhary and their relatives none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the aforesaid resolutions no 7 except to the extent of their shareholding, if any, in the Company.

The principal terms and conditions of reappointment and remuneration of aforesaid Managerial Personnel are given in **Annexure - I** and the same may be treated as a written memorandum setting out the terms of re-appointment of Mr. Shyam Sundar Choudhary under Section 190 of the Act and in keeping with the provisions of Section 190(2) of the said Act, the same will be open to inspections by any member of the Company without payment of any fee.

The information pursuant to Schedule V of the Act, as amended, is given in **Annexure - II** forming part of this Notice.

Item No. 8

The existing Articles of Association ('AOA') of the Company include certain reserved matters which were subject to the approval of erstwhile institutional investor, Bain Capital India Investments ('Bain'). Bain exited by divesting its shareholding during the financial year 2021-22. Additionally, the existing AOA mentions the names of certain promoters who have since been re-classified from 'Promoter/Promoter Group' to 'Public Category' in accordance with Regulation 31A of SEBI Listing Regulations.

Over the past few years, SEBI has introduced several amendments to various regulations including SEBI Listing Regulations, such as those relating to the dematerialization of securities. Moreover, the Ministry of Corporate Affairs ("MCA") has brought about various changes to the Companies Act and the rules framed thereunder. Consequently, it is proposed to alter the existing AOA by adopting a new set of AOA of the Company to align it with the evolving regulatory landscape as mandated by SEBI and the MCA. As part of this exercise, certain articles have been amended and new ones inserted, necessitating the renumbering and re-sequencing of the articles in the revised AOA.

The Board, at its meeting held on 21 April 2025, considered and approved the draft of the revised AOA, subject to the approval of the Members of the Company. The revised AOA is proposed to be adopted in substitution for, and to the entire exclusion of, the existing AOA

The existing and the draft of proposed Articles of Association are available on the Company's website at www.himadri.com at investors section for perusal by the Members. A copy of existing and the draft of proposed Articles of Association is also available for inspection at the Registered Office of the Company between 12.00 p.m. and 2.00 p.m. on all working days up to and including the date of the Annual General Meeting.

In terms of Section 14 and other applicable provisions of the Act the consent of the Members by way of Special Resolution is required to approve the amendment in the Articles of Association of the Company. Accordingly, the approval of Members is sought for approval and adoption of the revised AOA to substitution and exclusion of the existing AOA of the Company.

None of the Directors or Key Managerial Personnel and/or their relatives in any way, financially or otherwise, is interested or deemed to be interested in the proposed resolution.

The Board recommends passing of the Resolution as set out under Item No. 8 of the Notice for approval by the Members of the Company as a Special Resolution.

Item No. 9

The Company has the following subsidiaries which are controlled by the Board of directors of the Company and to whom the Company is required to provide loan or give any guarantee or provide any security in connection with any loan taken by the such subsidiaries from time to time for business purpose.

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i. Himadri Birla Tyre Manufacturer Private Limited

ii. Trancemarine and Confreight Logistics Private Limited

iii. Sturdy Niketan Private Limited

iv. Invati Creations Private Limited

Pursuant to Section 185 of the Act, a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity in whom any of the directors of the Company is interested subject to the condition that—

(a) a special resolution is passed by the company in general meeting: and

(b) the loans are utilised by the borrowing company for its principal business activities.

As per Explanation to Section 185(2)(b) the expression "any person in whom any of the director of the company is interested" means:

a. any private company of which any such director is a director or member;

b. any body corporate at a general meeting of which not less than twenty-five per cent. of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together; or

c. any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company.

Relevant information as required under Section 185 of the Act is given below:

Name of the Borrower Company	Nature of Relationship	Means of Financing	Purpose	Amount not exceeding (₹ in Crores)
i. Himadri Birla Tyre Manufacturer Private Limited	Subsidiary Company	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	Working capital and general corporate purpose of the Company.	250
ii. Trancemarine and Confreight Logistics Private Limited	Subsidiary Company	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	Working capital and general corporate purpose of the Company	100
iii. Sturdy Niketan Private Limited	Subsidiary Company	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	Working capital and general corporate purpose of the Company	300
iv. Invati Creations Private Limited	Subsidiary Company	a. granting loan; b. giving guarantee and / or provide security in connection with a loan.	Working capital and general corporate purpose of the Company	75
			Total	**725**

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The transaction would be done at an arm's length basis and the interest at a rate not less than the prevailing bank rate shall be charged by the Company on any such loan.

In view of the above, the Board seek the approval of the Members of the Company pursuant to Section 185 and other applicable provisions, if any, of the Act and Rules made thereunder, (including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof, for the time being in force) for granting loans, giving guarantee or providing security in connection with a loan taken by any company, body corporate or any other entity in which any of the Directors of the Company is interested of an aggregate amount not exceeding ₹ 725 Crores, in one or more tranches, by any or all of the below mentioned way:

a. granting unsecured loan;

b. giving guarantee and / or provide security in connection with a loan.

The Board of Directors at their meeting held on 21 April 2025 approved the proposal subject to the approval of the Members.

Except Mr. Anurag Choudhary, Mr. Amit Choudhary and their relatives, none of the Directors or Key Managerial Personnel and/or their relatives in any way, financially or otherwise, is interested or deemed to be interested in the proposed resolution.

The Board recommends passing of the Resolution as set out under Item No. 9 of the Notice for approval by the Members of the Company as a Special Resolution.

Annexure - I

In terms of the provisions of Schedule V read with Section 196 & 197 of the Act and subject to approval of the Members, the terms and conditions of reappointment and remuneration of aforesaid Managerial Personnel are as follows:

Name of Director	**Mr. Shyam Sundar Choudhary (DIN: 00173732), Whole-Time Director**
Period of appointment	The appointment shall be made for a period of 3 (Three) years with effect from 01 April 2025 upto 31 March 2028 (both days inclusive)
(i) Salary	Not exceeding ₹ 350 Lakhs (Rupees three hundred fifty Lakhs only) per annum
(ii) Performance linked remuneration	Not exceeding 40% of salary, payable annually for each financial year, as may be determined by the Board

(iii) Perquisites, allowances and benefits:

In addition to the remuneration as stated above, Mr Shyam Sundar Choudhary shall also be entitled the following:

Perquisites - In addition to the aforesaid Salary, Performance linked remuneration, the aforesaid Whole-Time Director(WTD) shall be entitled to perquisites like gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance. The aggregate monetary value of such perquisites shall not exceed 30% of the salary in any financial year, for the purposes of which perquisites shall be valued as per the provisions of the Income-tax Act, 1961 (**'IT Act'**) and the Rules framed thereunder, wherever applicable, and in absence of any such provision, perquisites shall be valued at actual cost.

However, in addition to the above perquisites the aforesaid WTD are entitled to the following which shall not be included in the aforesaid perquisite limit:

a. Rent free furnished accommodation owned / leased / rented by the Company, or housing allowance in lieu thereof, and reimbursement of actual house maintenance expenses including repairing thereof.

b. Contributions to Provident Fund and Superannuation Fund/NPS and contribution to Gratuity Fund as defined in the rules of the respective Funds, or up to such other limit as may be prescribed under the IT Act and the Rules thereunder for this purpose.

c. Medical expenses for self and family in India or abroad/ Medical Insurance coverage premium incurred for self and his family.

d. Use of chauffeur driven Company car and telecommunication facilities at residence (including payment for local calls and long-distance official calls).

e. Encashment of unavailed leave as per the rules of the Company at the end of the tenure.

f. Reimbursement of Expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trips and provision of car(s) and communication expenses at residence for Company's business

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purpose shall be reimbursed at actuals and not considered as perquisites.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules framed thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Minimum Remuneration:

Where in any financial year(s) during the tenure of aforesaid WTD, the Company has no profits or its profits are inadequate, the Company shall pay to the aforesaid WTD in respect of such financial year(s) in which such inadequacy or loss arises or for a period of three years, (whichever is lower), the remuneration as set out above as minimum remuneration, in accordance with the provisions of Section 197 and/ or Schedule V to the Act or under the provisions of SEBI Listing Regulations or under any other law for the time being in force, if any.

In terms of Regulation 17(6)(e) of SEBI Listing Regulations, approval of the members by way of special resolution is required where the overall remuneration payable to an Executive Director exceeds ₹ 5 Crores or 2.50% of the net profit of the company (whichever is higher), where such director is promoter or member of promoter group. This approval shall also be deemed to be approval under Regulation 17(6)(e) of SEBI Listing Regulations. Net profits for the purpose of Regulation 17(6)(3) shall be calculated as per Section 198 of the Act.

Insurance:

The Company has an appropriate Directors' and Officers' Liability Insurance Policy and pays the premiums for the same. It is intended to maintain such insurance cover for the entire period of re-appointment, subject to the terms of such Policy in force from time to time.

The terms and conditions of the said re-appointment may be altered and varied from time to time by the Board as it may in its discretion deem fit, subject to of the limits stipulated under Schedule V of the Act or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board and the above Director Mr Shyam Sundar Choudhary, subject to such approvals as may be required.

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Annexure - II

STATEMENT PURSUANT TO PROVISIONS OF SCHEDULE V OF THE ACT WITH RESPECT TO ITEM NO. 7 OF THE NOTICE AND THE SEBI LISTING REGULATIONS, AS THE CASE MAY BE:

I. General Information

i. Nature of industry:

The Company is a global speciality chemical conglomerate with a strong focus on research and development (R&D), innovation and sustainability. As pioneer in the production of lithium-ion battery materials in India, it continuously develops and innovates raw materials of lithium-ion battery value chain. It's diverse product portfolio includes speciality carbon black, coal tar pitch, refined naphthalene, advance materials, SNF, Speciality oils, power, etc. catering to various industries such as lithium-ion batteries, paints, plastics, tires, aluminium, graphite electrodes, agrochemicals, defence and construction chemicals.

ii. Date or expected date of commencement of commercial production:

The Company was incorporated in 1987 and has already commenced commercial production since long.

iii. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

iv. Financial performance based on given indicators:

(₹ in Lakhs)

For the Financial Year	2024-25	2023-24	2022-23
Revenues	4,59,580.34	418,489.03	417,184.13
Net Profit/ (Loss) before Tax	80,773.75	57,313.74	27,181.23
Net Profit/ (Loss) after Tax	55,807.05	41,099.54	20,780.85
Paid up Equity Share Capital	4,937.82	4,925.95	4,327.07
Earnings Per Share (₹)	11.31	9.17	4.94
Dividend %	60%	50%	25%

v. Foreign investments or collaborations if any: During the financial year 2024-25, the Company has made investment in Australian startup Company, Sicona Battery Technologies Pty Ltd of ₹ 476.26 Lakhs.

II. Information about the Directors seeking appointment

Sl. No.	Particulars	Mr. Shyam Sundar Choudhary
1.	**Background details**	Mr. Shyam Sundar Choudhary is a Whole-time Director of the Company. He is a Promoter of the Company. He is a commerce graduate. An industrialist with experience of more than 50 years in the area of chemical business. Mr. Choudhary is a first-generation co-founder and currently part of the Board.
2.	**Past remuneration**	₹ 300 Lakhs annually plus perquisites as details in the explanatory statement to this Notice
3.	**Recognition or awards**	None
4.	**Job profile and his suitability**	Please see (1) above
5.	**Remuneration proposed**	₹ 350 Lakhs annually plus performance linked remuneration and perquisites
6.	**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**	The remuneration proposed is reasonably in line with the remuneration in similar sized companies in the same segment of business.

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Sl. No.	Particulars	Mr. Shyam Sundar Choudhary
7.	**Pecuniary relationship directly or indirectly with the Company**	Apart from receiving remuneration as stated above, he does not have any other pecuniary relationship with the Company. He is the Promoter of the Company and holds 82,50,000 equity shares of the Company.
8.	**Relationship with other Directors & KMP**	Mr. Anurag Choudhary, Chairman Cum Managing Director & CEO - Son
		Mr. Amit Choudhary, Whole-time Director - Son

III. Other Information

i. Reasons of loss or inadequate profits:

The related information will be provided in the Board's Report prepared for the relevant year, if any, in which inadequate profit/loss arises.

ii. Steps taken during the year for improvement:

The related information will be provided in the Board's Report prepared for the relevant year, if any, in which inadequate profit/loss arises.

iii. Expected increase in productivity and profits in measurable terms:

The related information will be provided in the Board's Report prepared for the relevant year, if any, in which inadequate profit/loss arises.

IV. Disclosures

The details required to be given under this head are disclosed in the Corporate Governance Report of the Company in the Annual Report for the financial year 2024-2025.

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Annexure - III

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

Name of Director	Mr. Shyam Sundar Choudhary	Mr. Amitabh Srivastava
DIN	00173732	09704968
Date of Birth / (Age)	14.10.1947 (77 years)	27.12.1963 (61 Years)
Date of first appointment on the Board	28.07.1987	21.04.2025
Qualifications	B. Com	M. A (Economics)
Shareholding in the Company as on the date of the Notice	82,50,000 equity shares	NIL
Experience (approx.)	50 years	37 years
Nature of Expertise and Brief Resume	Same as mentioned in Annexure - II above	An accomplished and experienced professional with over 37 years of service in the Steel Authority of India Ltd (SAIL), a Maharatna of the Government of India. Expertise in Materials Management, Procurement, Supply Chain Management, Digitalization, and Strategic Leadership. Adept at introducing cutting-edge models and techniques to streamline operations, increase transparency, and improve efficiency. A recognized leader with significant experience in both corporate governance and cross-functional leadership.
Terms and conditions re-appointment	Proposed to be re-appointed as Whole-time director for a further period of Three (3) years and is liable to retire by rotation.	Proposed to be appointed as an Independent Director for a period of five years not liable to retire by rotation.
Details of remuneration sought to be paid	As stated in Explanatory Statement for item no 7	Eligible to receive sitting Fees as per the terms and conditions for the appointment of the Independent Directors of the Company
Remuneration last drawn during financial year 2024-25 (₹ in Lakhs)	300.68	Not Applicable
Number of Board Meetings attended during the financial year 2024-25	5/7	Not Applicable
Relationship with other Directors & KMP	Same as mentioned in Annexure - II above	NIL

Notice (Contd.)

Name of Director	Mr. Shyam Sundar Choudhary	Mr. Amitabh Srivastava
Directorship in other Companies (excluding foreign companies)	Sri Agro Himghar Limited, Birla Tyres Limited, Himadri Green Technologies Innovation Limited, Himadri Anoion Limited, Himadri Clean Energy Limited, Himadri Future Material Technology Limited, Himadri Li Recycle Limited, Himadri Power Limited Liberty Projects Private Limited Ninestar Realty Private Limited Floret Developers Private Limited Canvas Realtors Private Limited Bluebell Infracon Private Limited Satadru Developers Private Limited Himadri E-Carbon Limited	None
Names of listed entities in which the person also holds the directorship and Chairman/Member of the Committee of Board of other Companies (excluding foreign companies)	None	None
Listed entities from which the Director has resigned from directorship in last three (3) years	None	None
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Not Applicable	The Board has a defined list of core/skills/ expertise/competencies, in the context of its business and sector for it to function effectively. The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Srivastava and concluded that Mr. Srivastava possesses the relevant skill and capabilities to discharge the role of Independent Directors.

By Order of the Board

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer
ACS: 29322

Date: 21 April 2025
Place: Kolkata

Himadri



Himadri Reloaded

The Next Chapter

Himadri Speciality Chemical Ltd

Annual Report 2024-25

Scan the QR code to view the report online



CMD's letter
Pg.04



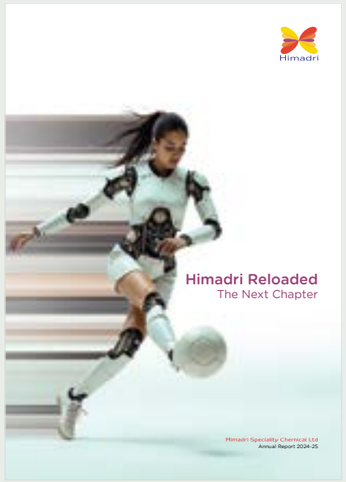
Recognitions and industry engagements
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Forward-looking statements

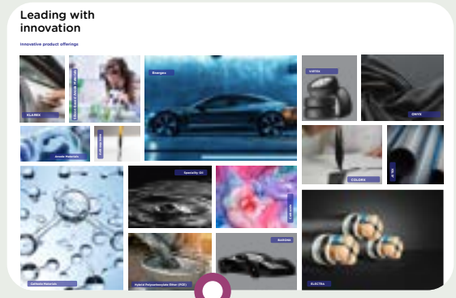
Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "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.

The cover page features a girl in robotic attire, symbolising Himadri's commitment to integrating advanced technologies while maintaining a strong focus on sustainability and integrity. This imagery reflects Himadri's strategic approach to balancing rapid innovation with responsible practices, using chemicals effectively to drive both technological progress and environmental sustainability.

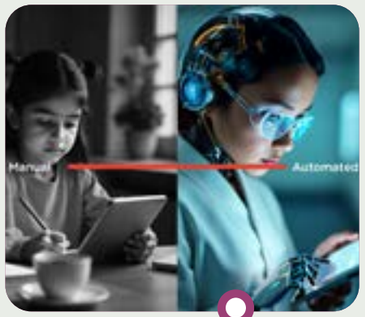
As industries evolve, automation and robotics are transforming operations, improving efficiency and ensuring safety. Himadri, through its cutting-edge research and diversified speciality chemical portfolio, plays a crucial role in supporting this shift, driving innovation and ensuring long-term economic growth. The Company's forward-looking approach positions it for ongoing success in an ever-changing landscape.



Read inside



Leading with innovation
Pg.60



Future growth drivers
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Himadri Reloaded

The Next Chapter

As we embark on the next phase of our journey, we present ‘Himadri Reloaded: The Next Chapter’. This theme encapsulates our evolution, a reimagination of our future, marked by innovation, resilience and a commitment to sustainable growth.

Our achievements in FY25 demonstrate our ongoing transformation, where every challenge is an opportunity for growth and every innovation, a proof of our continuous efforts to improve. With well over three decades of excellence, ‘Himadri Reloaded’ symbolises not just growth but a reinvention of our capabilities that position us to leverage some of the most promising and rapidly evolving sectors of the global economy. We are working towards a future where India leads towards innovation, sustainability and self-reliance. We are venturing into high-value speciality products such as Anthraquinone and Carbazole, which will help reduce import dependency and align with India’s Atmanirbhar Bharat vision. Our work in Lithium-ion battery materials and speciality carbon black, revamping Birla Tyres and scaling up operations at our Singur facility add even more momentum to our transformation.

This new journey is guided by a passion for innovation, sustainability and improvement. With our dedicated team, trusted partners and a forward-looking vision, we are forging ahead with purpose and confidence.

Welcome to the next chapter of Himadri, where the future is not just envisioned, but created.

CMD's vision for Himadri's next chapter



Anurag Choudhary
CMD & CEO

How has Himadri performed in FY25, and what does this performance signify for our future trajectory?

The year has been one of new beginnings and sustained performance for us at Himadri. Your Company delivered disciplined financial and robust operational results, justifying our position as a leader in speciality chemicals. Our sales volumes grew by 16%, reaching 5,52,206 metric tonnes compared to 4,75,582 metric tonnes in FY24. This growth was backed by strong demand across our core portfolio of coal tar derivatives, speciality blacks, and naphthalene-based products. Our EBITDA for the year reflects steady progress, driven by operational efficiencies and focus on higher-margin products. Most notably, we built on our cash-rich position, a milestone that underscores our financial discipline and operational strength.

As we journey further and set the stage for the next chapter in Himadri's book, we are grateful for our current success and the strong foundation that we have built for ourselves. The strong volume growth is representative of our ability to scale efficiently while maintaining quality and reliability. Our cash rich balance sheet provides the flexibility to invest in transformative projects, such as our foray into lithium-ion battery component materials and speciality oils. These new opportunities position us to capture new horizons in high-growth sectors like electric mobility and renewable energy storage. As we move forward, these results give us confidence to pursue our vision of becoming a global leader in niche, technology-driven markets.

What does the theme "Himadri Reloaded: The Next Chapter" mean for our strategic direction and readiness for future opportunities?

"Himadri Reloaded: The Next Chapter" is a declaration of our intent to evolve while staying true to our core strengths in carbon chemistry and innovation. Through this call to action, we are beginning a strategic shift towards diversification, sustainability, and global leadership. In FY25, we laid the groundwork for this transformation by expanding our capabilities in high-value segments. For instance, our ₹120 Crores investment in speciality oils enhances our ability to extract greater value from coal tar distillates, creating next-generation chemicals that serve diverse industrial applications.

Our entry into lithium-ion battery component materials, particularly lithium iron phosphate (LFP) cathode active material and silicon-carbon for anodes, marks a bold step into the energy storage ecosystem. With a planned LFP capacity of 2,00,000 MT, we aim to establish one of the first commercial facility ex- China, contributing not only to India's energy independence and helping our Nation towards being Atmanirbhar but also for the world. Our initiatives for building a circular economy are aimed at **transforming waste such as end-of-life tyres (ELTs), used oils such as cooking, engine, lubricant, etc., and agricultural residues into high-value products,** aligning us with global sustainability goals. In line with promoting a greener world, we are working on **expanding our solution offerings for next-generation anodes- Natural, Synthetic and Hybrid,** which will help lead the way to provide new solutions for electric vehicles as well as storage systems. Talking about innovations, we are also engaged in the **development of novel molecules and nanotech solutions that have the potential for addressing challenges in agriculture, human health, animal health and energy storage**.

This reloaded phase is about building a future-proof Himadri. A Himadri that is agile, innovative, and ready to lead in a rapidly changing world.

How are our investments in LFP, speciality carbon black, and Birla Tyres expected to drive growth over the next few years?

Like I said before, our planned strategic investments are designed to compound our capabilities and drive significant topline growth. Our planned capex for setting up of a new facility as part of another **forward integration towards tapping into higher-margin products, is aimed at catering to specialised industrial needs while improving our per-ton realisations.** This initiative is expected to enhance our profitability and strengthen our position as a niche high-performance solution provider.

Our LFP cathode active material project is a strong base of our growth strategy. **With a demo plant under development and commercial production targeted for near the end of FY26,** we are positioning ourselves as a leader in the LiB battery component materials for electric vehicle (EV) and energy storage systems. This venture is expected to contribute significantly to our revenue, with early-stage revenues anticipated within the next two years. Similarly, the **expansion of our speciality carbon black line is progressing as planned and is expected to be operational by Q3 FY26. This will more than double our speciality blacks capacity and enable us in targeting high-demand applications** in batteries, inks, fibre, coatings, plastics, and more. This segment's strong global relevance and favourable pricing dynamics will bolster our export presence and margins.

Post the successful acquisition of Birla Tyres Limited by Himadri (Strategic Partner) along with Resolution Applicant- Dalmia Bharat

Refractories Limited, its revitalisation has been underway and represents our strategic foray into the B2C tyre space. By leveraging our carbon black expertise, **we are focussing on building a comprehensive product portfolio of speciality tyres** to service Off-Highway tyres (OHT), Truck Bus Bias tyres (TBB), Agri, Industrial and EV segments. Simultaneously we are working on installation of our Passenger Car Radial (PCR) tyre unit which will take some time. This unit will have a strong focus on producing PCR tyres catered to meet the needs to EVs & SUV segment vehicles. Over the next 3–5 years, we aim to achieve full-scale production. **Collectively, these initiatives are projected to drive a multiplier impact on our topline over the next five years.**

How is Himadri embedding sustainability into its operations and product development, and what does this mean for our global standing?

Sustainability has always been non-negotiable in our growth strategy. Recently, we received the coveted EcoVadis Platinum Medal, which places us in the top 1% globally for sustainability performance. Our "Together Towards Tomorrow" vision integrates environmental, social, and governance (ESG) principles across our operations, product development, and stakeholder engagement.

In product development, we are innovating low-carbon, high-performance materials, such as zero-impurities pitch and battery-grade speciality blacks. Some of our research initiatives are aimed **at developing technologies that can convert waste into value, such as transforming ELTs to produce crumb, Tyre pyrolysis oil, and recovered carbon black.** We are also working on **processing different types of used oils and converting them to high-value solvents,** which possess substantial gross calorific values. These together are aimed at working towards creating a circular economy. Operationally, all our facilities are zero-liquid discharge and rely on in-house clean energy for meeting 100% of our electrical energy needs, resulting in a 17.42% reduction in energy intensity.

Our sustainability efforts enhance our global standing by aligning with the priorities of our environmentally conscious customers, investors, and regulators. By offering sustainable, high-quality products and maintaining transparent ESG practices, we are building trust and credibility in markets like USA, Europe, Southeast Asia, and the Middle East. This positions us as a partner of choice in the global transition to a low-carbon economy.

How is Himadri creating value for its customers and end-users?

At Himadri, creating value for our customers and end-users is central to our mission. We achieve this by delivering innovative, high-performance solutions that meet their evolving needs while advancing sustainability. Our speciality chemicals, such as refined naphthalene and speciality oils, enable industries to enhance product quality and efficiency, from infrastructure to advanced manufacturing. Our carbon black portfolio supports critical applications in batteries, coatings, and tyres, offering superior performance and durability.

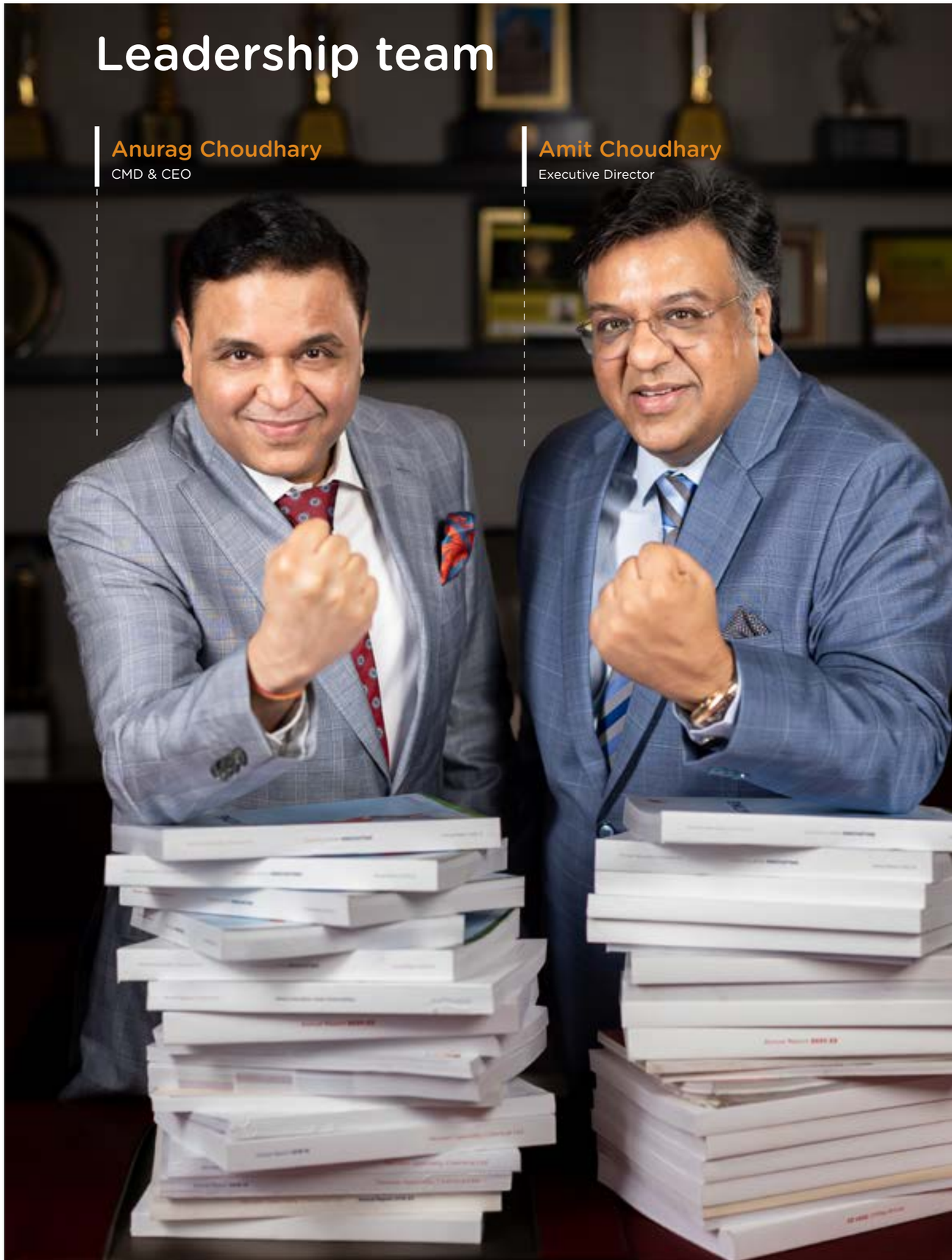
Our entry into LiB component materials, particularly LFP cathodes and silicon-carbon for anodes, addresses the growing demand for reliable, high-efficiency mobility and energy storage solutions. By developing these materials, we empower our customers, EV manufacturers, renewable energy firms, and storage providers to deliver cleaner, more efficient products to their end-users.

The Birla Tyres initiative further extends this value chain, providing consumers with high-quality tyres that are designed for safety and performance. **We are creating circular solutions that benefit both our customers and the environment.** By transforming waste into high-value products, we offer cost-effective, eco-friendly alternatives that align with global sustainability goals. Our focus on R&D, backed by our team comprising of subject matter experts from across the globe, ensures that we anticipate market trends and deliver tailored solutions that drive customer success and efficiency.

Thus, I extend my gratitude to you, our stakeholders, for your support. FY25 has been a year of significant milestones, but it is just the beginning of Himadri's next chapter. We are building a company that is bold in ambition, grounded in science, and committed to creating sustainable value. **Together. we are shaping a future where Himadri not only thrives but leads.** I look forward to your continued partnership as we embark on this exciting journey.

Warm Regards,

Anurag Choudhary
Chairman cum Managing Director & Chief Executive Officer (CMD & CEO)



At a glance

Himadri Speciality Chemical Ltd is a globally recognised speciality chemicals conglomerate, passionate about making a significant difference through research and development and sustainability. Since our establishment in 1990, we have built a legacy of leadership, in the production of Coal Tar Pitch (CTP), where we've been a dominant force for over three decades, and also in Carbon Black production, where we've led for over 15 years.

Our diverse product portfolio caters to the needs of industries across the globe, with high-quality offerings that include refined naphthalene, new energy materials and speciality oils. We take pride in serving the evolving needs of industries such as aluminium production and tyre manufacturing, driving growth and delivering exceptional value to our customers with a focus on sustainability and innovation.

With our positive performance across key pillars - Environment, Social and Governance, we have established Himadri as the sustainability frontrunner in the speciality chemicals industry. We have always and will continue to consistently push our boundaries of responsible business practices by integrating and adhering to the highest standards of corporate governance to create an inclusive workforce and deliver value to our stakeholders.

~4
Decades of experience

8
Manufacturing units

50+
Countries of presence and growing

Cash rich Company
Net positive cash balance of ₹ 371 Crores, 31 March 2025





Vision

Himadri harbours a vision to become a global leader in speciality carbon products by adopting appropriate eco-friendly technologies and enhancing core capabilities through continuous product improvement, technical innovations and customer satisfaction.



Mission

01
To be a Company that constantly innovates new products and technologies.

02
To have an unrelenting customer focus while being the customer's clear choice.

03
Be a Company that attracts, and develops individuals to build a proud Himadrian team.

04
Stay committed to a sustainable future and to improving the social, economic and environmental wellbeing of communities in the region of our operations.

Values

Integrity
We shall be thoroughly professional in all our activities with absolute honesty and will never compromise on our principles in any way.

Safety
The safety of our stakeholders - employees, suppliers, buyers and society, is of utmost importance to us and we will never settle for any practice which puts it in danger.

Excellence
We will always strive to achieve the best level of performance in whatever we do and continuously improve ourselves in order to reach that level.

Sustainability
We will carry out all our business activities to positively contribute to the creation of a better tomorrow for our future generations.



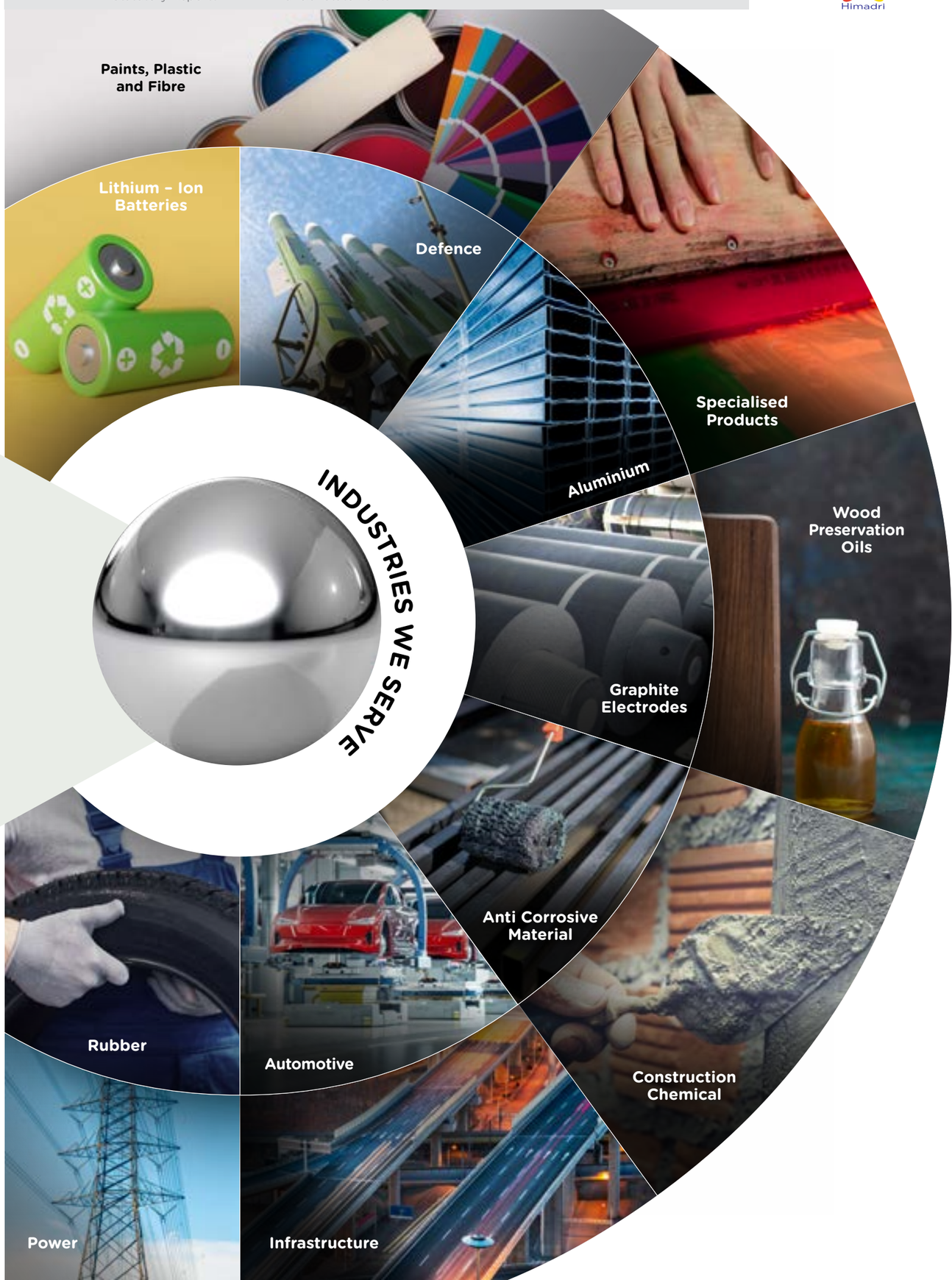
Innovative solutions for every industry

Himadri's diverse portfolio includes critical materials such as anode and cathode components for lithium-ion batteries, speciality carbon black used in tyres, coatings, fibres, wires, cables, hoses, etc. and refined naphthalene. We also provide speciality materials such as coal tar pitch, speciality oils and clean power solutions, all designed to meet the diverse needs of modern industries.

These products support a broad spectrum of applications, from paints, plastics and technical rubber goods to aluminium production, graphite electrodes, agrochemicals, construction chemicals, dyes, inks, tyres, LiBs for mobility and energy storage solutions. With such a comprehensive diversified product portfolio that caters to multiple industries, such as defence, automotive and industrial manufacturing, batteries, infrastructure and more, Himadri is able to reliably add value to the businesses of our customers while ensuring they get the best-in-class quality experience.

OUR OFFERINGS

- LiB Component materials
- Coal Tar Pitch
- Speciality Carbon Black
- Carbon Black
- Tyres
- Naphthalene
- Corrosion Protection
- Polycarboxylate Ether (PCE)
- Speciality Oils
- Sulphonated Naphthalene Formaldehyde (SNF)



Mapping our footprint

Himadri has a wide-reaching global presence, with our products available in 56 countries. This extensive outreach allows us to connect with industries across continents and ensure that our innovative solutions are accessible wherever they are needed.



1._ Algeria
2._ Australia
3._ Austria
4._ Bahrain
5._ Bangladesh
6._ Belarus
7._ Belgium
8._ Brazil
9._ Canada
10._ Chile
11._ China
12._ Colombia
13._ Czech Republic
14._ Ecuador
15._ Egypt
16._ Ethiopia
17._ Finland
18._ France
19._ Germany
20._ Ghana
21._ Greece
22._ Guatemala
23._ Indonesia
24._ Italy
25._ Japan
26._ Malaysia
27._ Mexico
28._ Morocco
29._ Mozambique
30._ Nepal
31._ Netherlands
32._ Nigeria
33._ Oman
34._ Peru
35._ Phillipines
36._ Poland
37._ Portugal
38._ Qatar
39._ South Korea
40._ Saudi Arabia
41._ Senegal
42._ Serbia
43._ Slovenia
44._ South Africa
45._ Spain
46._ Sri Lanka
47._ Sweden
48._ Thailand
49._ Tunisia
50._ Turkey
51._ UAE
52._ Uganda
53._ UK
54._ USA
55._ Venezuela
56._ Vietnam

Recognitions and industry engagements

Awards and accolades



Awarded the **'Company of the Year'** among Listed Companies at India Chem 2024, organised by the Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, Government of India in partnership with FICCI and E&Y.



Awarded **'Golden Peacock Award for HR Excellence 2024'** at Institute of Directors 19th International Conference.



Himadri was given the **DET Hurun Award** at the **India Manufacturing Excellence Awards 2025**, for its significant contribution to the India's manufacturing economy.



Recognised in three prestigious categories at the Global **CSR Excellence & Leadership Awards 2025**

- Best Corporate Social Responsibility Practices
- Best Workplace Practices
- Carbon Footprint Accounting



EXCEED Green Future Awards 2024



The **Eastern India Leadership Awards 2024** for best overall sustainable performance

Accreditations and recognitions

Awarded with **[ICRA ESG]** Combined Rating 80, **Exceptional**

Awarded the prestigious **"Platinum Medal by EcoVadis"**. This is considered a significant development as it positions Himadri among the top 1% of over 1,30,000 companies that are globally assessed by EcoVadis.

We achieved a **B rating** from CDP for **Climate** and **Water Security**, recognising our strong environmental management.

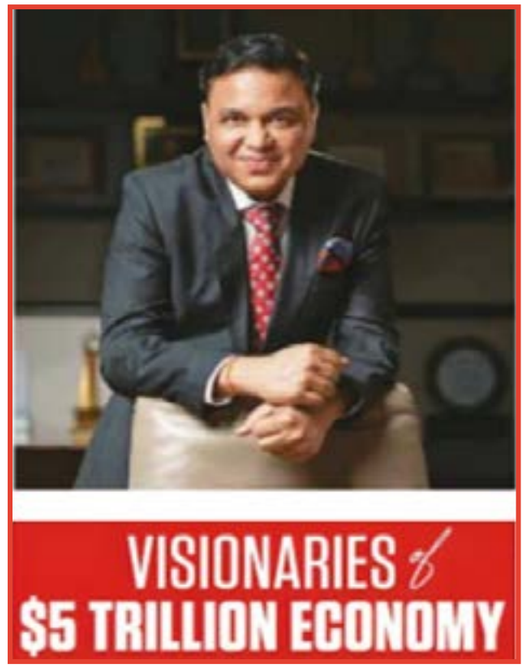
We achieved **'Merit'** in **International Safety Award** by **British Safety Council**

Industry events and thought leadership



Carbon Black Perspective in the Asia Pacific Association, October 2024

Himadri hosted the 15th edition of the Carbon Black Perspective in Asia Pacific Association was held in Kolkata in October 2024. The event's significance as it promoting collaboration in the global carbon black realm.









World of Concrete India 2024

Himadri participated in the World of Concrete India, which is known as the world's largest and the most leading concrete solutions and construction equipment event. Thus, it offers us with an opportunity to showcase our advanced technologies in such a prestigious event.

Effort

Efficiency

From the Executive Director's desk



Amit Choudhary
Executive Director

Dear Stakeholders,

When I look back on this past year, I am struck by how much we have grown, not just as an organisation but as a community. Leading this team has been a privilege and I am inspired by the passion, creativity and resilience that each of you brings to the organisation. This message is a heartfelt thank-you for the trust that you have placed on us.

This year's theme, "Himadri Reloaded – The Next Chapter," is not just a reflection of our remarkable journey—it is a bold declaration of our future ambitions. It symbolises the power of innovation, the strength we have built through challenges and the responsibility we carry to grow sustainable and inclusively. As we turn the page, we carry forward the legacy that shaped us, fuelled by curiosity, courage and the vision to create something greater.

With over three decades of excellence, this moment represents far more than progress—it is about reimagining who we are and what we can become. "Himadri Reloaded" is our way of honouring the journey so far while boldly stepping into new territory. It is about staying true to our strengths and values, even as we embrace fresh ideas, cutting-edge technologies and the rapidly-changing world around us.

We are building on a legacy of excellence in the speciality chemicals sector, expanding our influence across global markets. Our liquid pitch exports are growing and we have strategically **launched B2C naphthalene balls. Simultaneously, we are increasing our production capacity for speciality carbon black to meet rising global demand. We are also pursuing strategic initiatives like the development of LFP cathode active materials, our involvement with Birla Tyres and the manufacturing of speciality products such as anthraquinone and carbazole.** Each of these initiatives are backed by deep technical expertise and a commitment to excellence from our global teams.

FY 2025 was a remarkable year, thanks to the focus, dedication and creativity of our teams. Over the past five years, we have achieved steady, meaningful growth, not just in numbers but in the way we create value for our customers, partners and communities. None of this would have been possible without the energy and commitment of our people, who continue to push boundaries, solve problems and shape our future.

We are honoured to receive several prestigious awards and accreditations. From our HR practices to our commitment to sustainability, these accolades affirm our belief that true success about how responsibly we source raw materials, how efficiently we process them, how meaningfully we engage with our stakeholders and how diligently we manage our environmental responsibilities.

While we acknowledge the progress we have made, we are even more excited about what comes next. **This next chapter is about building a future-ready Himadri—an organisation that is agile, courageous and relentless in its pursuit of innovation.** Our teams are actively exploring disruptive technologies, from **alternative anode chemistries and advanced recycling of used oil, end-of-life tyres and batteries, to pioneering nanotechnology-based solutions with the potential to enhance agriculture, animal health, environmental protection and human wellness.**

I invite each one of you to be an active participant in this transformation. Your ideas, creativity and passion are the fuel that will drive Himadri's next chapter. Whether you are in research, production, marketing or support, your contributions are integral to our success. Together, we have the opportunity to shape industries, open new markets and lead the way in sustainable innovation.

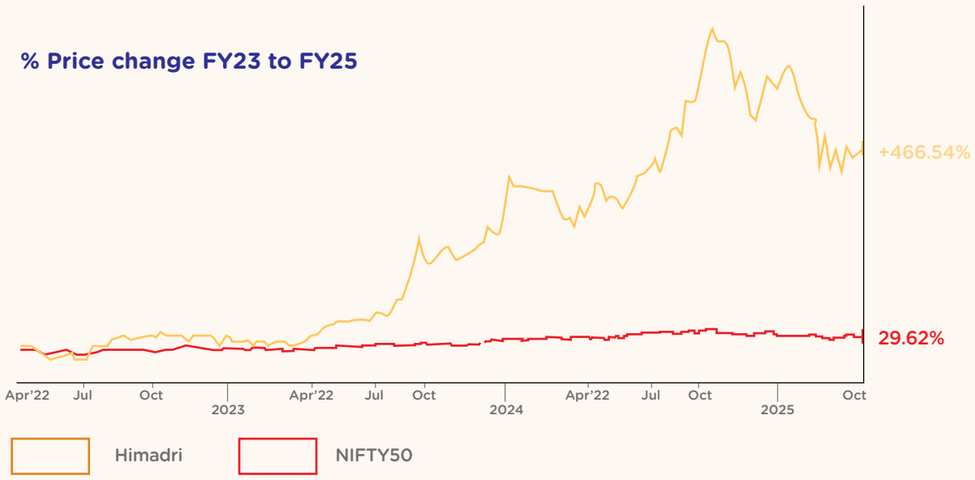
Let's approach this 'Reloaded' phase with renewed energy, bold ambition and a collective vision to take Himadri to even greater heights. **This is not simply the next chapter, it is an opportunity to redefine what is possible and with your trust and support, I am confident that the best is yet to come.**

Amit Choudhary
Executive Director

What makes Himadri a great investment

We present a promising investment opportunity, supported by our solid industry position and immense growth potential. This together with our diverse product range and single-minded focus on innovation, positions us for success. Leveraging our rich legacy of innovating across products backed by in-house R&D, long standing customer and supplier relationships, we are expanding our current businesses. Moreover, through strategic investments and strong partnerships, we are primed for catering to the demands of sunrise sectors. Himadri is moving forward with its resolve of sustainably delivering quality products that add value to our stakeholders.

Maximising value and resilience through financial stability



Quarter - 1

We are advancing our work with Lithium Iron Phosphate (LFP) as a cathode active material, which is gaining widespread recognition worldwide. To accelerate product approvals and strengthen our positioning in the new energy sector, we are setting up a demo unit, which will serve as a crucial milestone in our ongoing efforts. This marks an important step towards our long-term strategic goals.

1,39,175 MT
Sales Volumes

₹ 188 Crores
EBITDA increased by 43%

PAT increased by **41%** → to **₹ 123 Crores**

Revenue from Operations increased by **26%** → to **₹ 1,200 Crores**

Quarter - 2

To meet the growing global demand, our speciality carbon black capacity expansion project is progressing as planned. We aim to scale our speciality black production capacity from 60,000 MTPA to 1,30,000 MTPA by Q3 FY26, which will take our total capacity from 1,80,000 MTPA to 2,50,000 MTPA. Once completed, this will position us amongst the world's top 5 producers of high-value speciality carbon black and make us the largest single-site facility globally.

₹ 200 Crores
EBITDA crossed for the first time in the Company's history

SA 8000:2014
Certified Company

Revenue from Operations increased by **13%** → to **₹ 1,135 Crores**

EBITDA increased by **29%** → to **₹ 201 Crores**

Quarter - 3

We have successfully completed our first export of liquid coal tar pitch, marking an exciting new chapter for us in the growing global market. This notable accomplishment clearly paves the way for future growth as we actively look forward to steadily expanding our presence and building stronger business connections in order to explore emerging international markets.

We are also forward integrating by setting up a facility to extract high value-added speciality products - Anthraquinone and Carbazole, from our existing coal tar distillates, completely funded through internal accruals. This facility is expected to commence operations by Q2FY27.

₹ 120 Crores
Capex for production of speciality products

₹ 222 Crores
EBITDA increased by 32% YoY

Sales volumes increased by **11%** → to **1,37,447 MT**

PAT increased by **32%** YoY → to **₹ 142 Crores**

Quarter - 4

In Q4FY25, we delivered another robust performance consolidating our cash position, taking it to ₹ 371 Crores. In Birla Tyres, we are focused on developing a wide product portfolio that can cater to the growing global demand, serving multiple tyre segments such as TBB, OHT, CIM, PCR, EV and other speciality tyre segments. Additionally, the launch of the ENERGEX Speciality Black series has strengthened our current portfolio. We are on track to commence operations of our LFP CAM facility, our new speciality Carbon Black line, and other speciality product initiatives to drive future growth.

₹ 232 Crores
EBITDA increased by 31%

Platinum Medal
EcoVadis Rating

Cash Rich Company **161%** YoY → to **₹ 371 Crores**

PAT increased by **38%** YoY → to **₹ 158 Crores**

Focused and disciplined capital allocation drives shareholder value

Cash flow generation

Allocating capital for sustainable and profitable growth

Organic growth by investing in speciality products at an investment of ₹ 120 Crores, funded through internal accruals.

Returning capital to Shareholders

Dividend paid regularly

34%*

ROCE for FY 2025

*Excludes Investment & CWIP



Leveraging profound synergetic opportunities



Strategic stake in Sicona Battery Technologies

— Himadri presently has a **12.52% stake** in Sicona Battery Technologies Pvt Ltd

— This strategic investment strengthens our position to capitalise on the growing demand for high-performance batteries, particularly in electric vehicles and renewable energy storage. Sicona is developing Silicon Carbon anode technology, which holds the potential to significantly enhance battery performance. This innovative technology can not only extend the range of electric vehicles but also reduce charging times, effectively addressing two of the major barriers to the widespread adoption of electric vehicles.

Speciality Carbon Black expansion

— Investing in a **brownfield expansion** to add a new speciality carbon black line, **more than doubling special black production capacity.**

Acquisition of Invati Creations stake

— Acquired a **40% stake** in Invati Creations, aligning with our vision of producing **high-quality LiB materials** and driving innovation in the battery materials segment.

Forward integrating

— Leveraging our expertise in carbon black production to develop **tyres for commercial and passenger vehicles under the Birla Tyres** brand.

— Implementing forward integration for the production of high-value speciality chemicals such as Anthraquinone, Carbazole and more.

Spearheading transformation with robust ESG commitments



Awarded EcoVadis Platinum medal

— Recognises us as one of the top 1% of companies globally, out of over **1,30,000 assessed** for sustainability performance.

SBTi-committed emission reduction targets

— Achieving a **25% reduction** in Scope 1 and Scope 2 emissions intensity by 2025

— Reducing Scope 3 emissions by **5%** by 2025

Carbon neutral product introduction

— Launching a carbon neutral product for customers by 2025, Contributing **0.1%** in variants of FG

Sustainability assessment of value chain partners

— Conducting a sustainability assessment covering at least **75%** of the group's spend by 2025 (vs 2021)

Message from CFO



> Our sustained profitability, healthy cash flows, and consistent growth are the foundation upon which we are building a resilient and future-ready enterprise. As we look ahead, we are energised by the opportunities before us and remain steadfast in our pursuit of responsible and sustainable growth.

Dear Shareholders,

I am pleased to share that Himadri has delivered yet another year of strong execution and disciplined growth. In FY 2025, we achieved our highest-ever EBITDA of ₹ 844 Crores and Profit After Tax (PAT) of ₹ 558 Crores, reflecting the strength of our strategy and operational excellence. This performance was underpinned by a 16% increase in sales volume, reaching 5.52 Lakhs metric tonnes, driven by our continued focus on high-value speciality product segments.

Over the past five years, we have demonstrated a strong and sustained growth trajectory, with revenue growing at a CAGR of approximately 29%, EBITDA at 60%, and PAT at an impressive 86%. These figures highlight the strength of our fundamentals, our sharp focus on profitability and our strides towards maximising stakeholders' value.

Himadri's cash-rich position remains a core pillar of our strategy. We closed FY25 with a net positive cash balance of ₹ 371 Crores and a capital-disciplined balance sheet with zero long-term debt—a rare strength that positions us well to fund growth while maintaining financial resilience.

With a strong RoCE of 34%#, which has steadily grown over the past five years, we continue to deploy capital efficiently and prudently, ensuring superior returns for our investors.

I'm also pleased to share that the Board of Directors has recommended a final dividend of ₹ 0.60 per equity share of ₹ 1 each, which represents 60% of the face value, for the financial year 2024-25. This is subject to the approval of the shareholders of the Company.

Our growth ambitions are supported by a solid capex pipeline of over ₹ 1,450 Crores, fully funded through internal accruals. Key investments include ₹ 1,125 Crores in our LFP cathode active material plant (Phase 1 commissioning expected in Q3 FY27), ₹ 220 Crores for speciality carbon black expansion (commissioning expected in Q3 FY26), and ₹ 120 Crores in high-value speciality chemicals (commissioning expected in Q2 FY27). Revitalisation of our Birla Tyre facility too is progressing as planned with operations set to commence from Q1FY26.

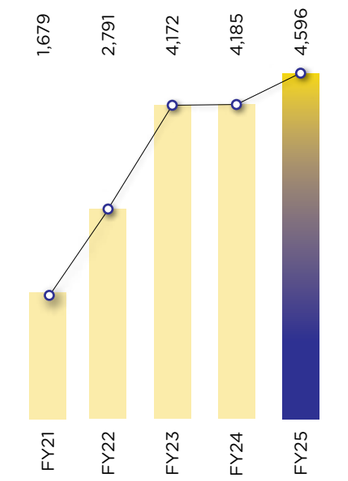
Kamlesh Kumar Agarwal
Chief Financial Officer

Excludes investment & CWIP

Financial highlights (Standalone)

Net revenue from operations

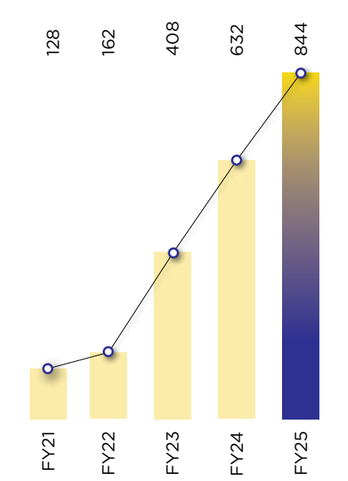
(₹ Crores)



CAGR **29%** over these five years

EBITDA*

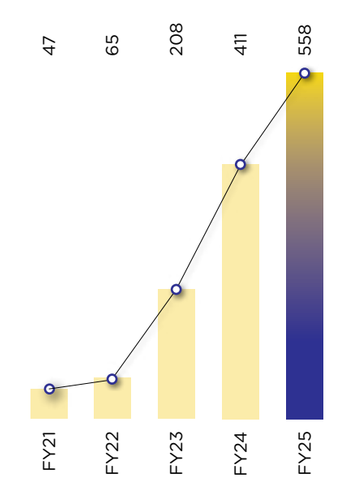
(₹ Crores)



CAGR **60%** over these five years

PAT

(₹ Crores)

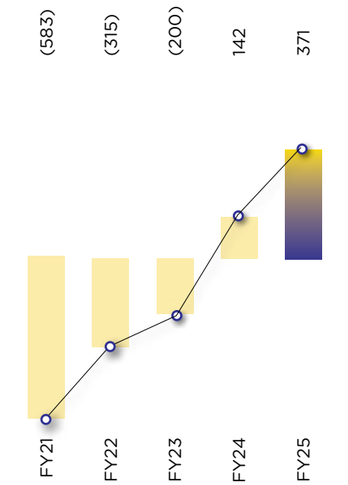


CAGR **86%** over these five years

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

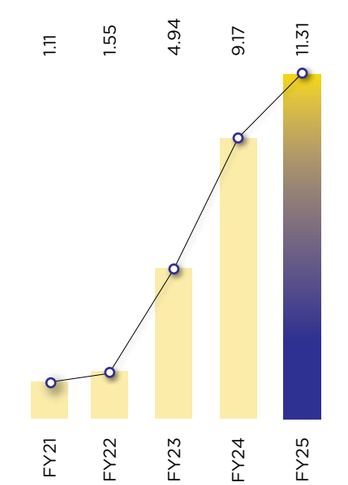
Cash rich company

(₹ Crores)



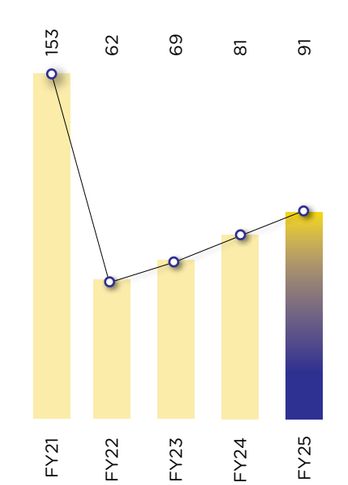
Earnings per share

(₹)



Working capital cycle

(No. of days)



The Himadri value creation model

Inputs

Financial Capital
₹ **3,648 Crores** Net worth
₹ **2 Crores** Long-term debt

Manufactured Capital
8 Manufacturing units
28 MW Capacity of captive power plant

Intellectual Capital
₹ **39 Crores** Spent on R&D
148 Employees in R&D Team

Human Capital
970 Employees on roll
43,653 Number of training hours
100% Training on Business Ethics
95% Employee Retention Rate

Social and Relationship Capital
₹ **6 Crores** Spent on CSR
112 Employees volunteered

Natural Capital
25% Targetted reduction in Scope 1 and Scope 2 emissions intensity by 2025.
5% Targetted reduction in Scope 3 emissions by 2025.

Our ecosystem

Mission | **Vision** | **Values**

Our activities
Production
Product development
Marketing
Investment in R&D
Sales

Core competencies
High-value product pipeline
Robust R&D
Strong clientele
Cutting-edge technologies
Diversified end markets



Outputs

Financial Capital
₹ **4,596 Crores** Turnover
₹ **844 Crores** EBIDTA
₹ **558 Crores** PAT

Manufactured Capital
73.19% Domestic sales
₹ **104.73 Crores** Revenue by Power segment

Intellectual Capital
39 New Products and many new grades developed/being developed

Human Capital
0 Lost time injury frequency rate (LTIFR)
11 Million LTI Free Man Hours

Social and Relationship Capital
8 Areas of CSR activities
14,300+ Beneficiaries of CSR activities
93.6% Vulnerable group beneficiaries

Natural Capital
36.08% Scope 1 and 2 emission intensity reduction achieved in FY25
22.25% Scope 3 emission intensity reduction achieved in FY25

Outcomes

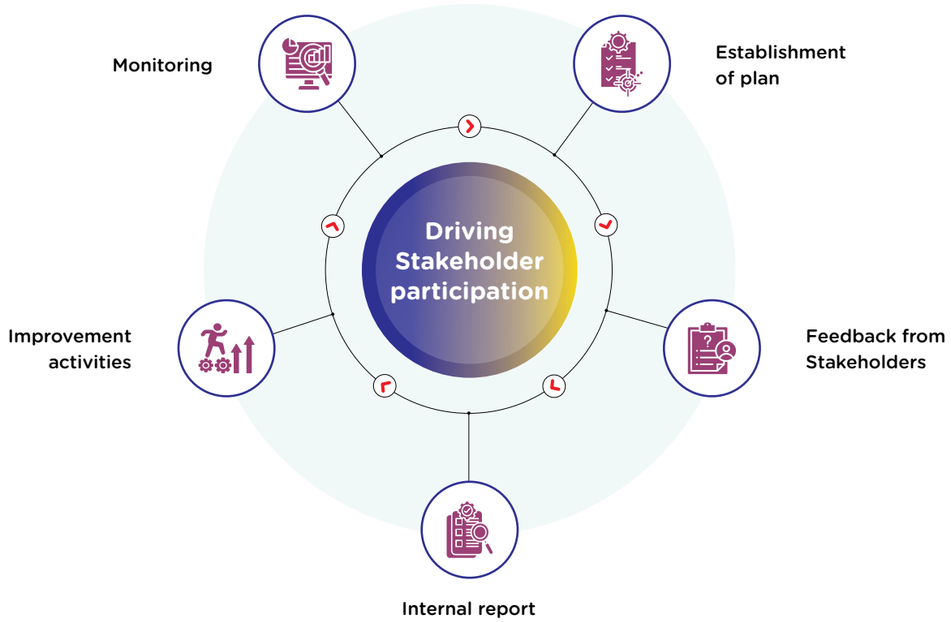
- Sustained long term financial growth
- Increase in dividend pay-out
- Capacity expansion
- Diversified product portfolio
- Increased investment in research and development
- Improved employee morale, safety and productivity
- Increased community outreach
- Minimised GHG emission

SDGs impacted

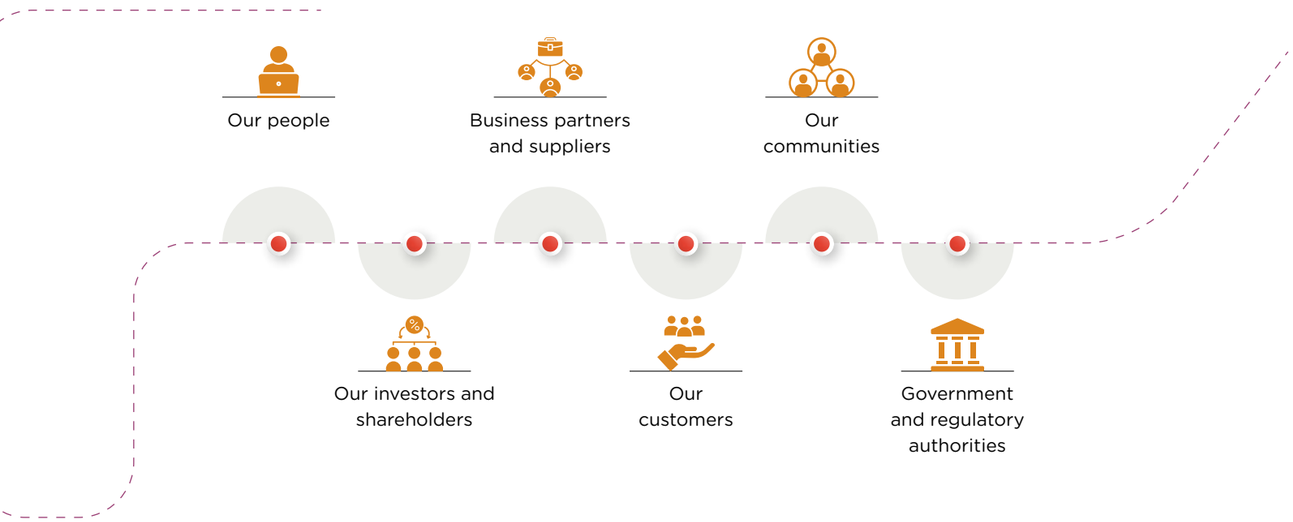
8 DECENT WORK AND ECONOMIC GROWTH
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
3 GOOD HEALTH AND WELL-BEING
10 REDUCED INEQUALITIES
4 QUALITY EDUCATION
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY

Creating value through meaningful connections

We greatly value the relationships we build with our stakeholders. Stakeholder engagement bridges gaps and ensures that every voice is heard and respected. This approach builds stronger partnerships, thus, driving meaningful outcomes for everyone involved.



Our growing fraternity of stakeholders





Our people

What matters to our people	Key concerns	How we engage	Frequency of engagement
— Inclusive and diverse workplace — Fair compensation — Career development opportunities — Prevention of health and safety at workplace	— Career development — Safety and well- being — Equal opportunity	— People forums and training sessions — Town hall — Learning and development programmes — People satisfaction survey	— Ongoing — Event based

SDG



Our investors and shareholders

What matters to our investors and shareholders	Key concerns	How we engage	Frequency of engagement
— Delivering sustainable shareholder value — Leading in ESG practices — Long-term and short-term financial viability — Building trust through transparency	— Long-term growth — Sustainable financial performance	— Annual general meetings — Quarterly investor calls and presentation — Annual report — Press release — Website updates — Investor-analysts meet	— Ongoing — Event based

SDG



Business partners and suppliers

What matters to our vendors

- Mutually beneficial partnership
- Optimising project delivery
- Ensuring timely payments
- Competitive pricing

Key concerns

- Long-term business opportunities
- On-time payments
- Quality of work

How we engage

- E-mails
- Site visits
- One-to-one interactions
- Business partner survey
- Regular structure meetings
- Value chain partner assesment and Risk management

Frequency of engagement

- Quarterly
- Event based

SDG



Government and other bodies

What matters to Government and other bodies

- Compliance with industry norms, laws and regulations
- Contribution to fiscal revenue through tax payment

Key concerns

- Adherence to all labour laws and ensuring implementation of human rights
- Compliance, robust governance and risk mitigation

How we engage

- Reports
- One-on-one interaction
- Events
- E-mails
- Letters

Frequency of engagement

- Event based
- Quarterly

SDG



Our customers

What our customers care about

- Quality of product
- Providing value for money
- Enhancing cost effectiveness

Key concerns

- Quality and service
- Enhancing customer experience and satisfaction
- Complaint resolution
- Product Safety Assurance

How we engage

- Websites
- Press release
- Customer survey
- One-on-one interactions
- Help desk
- Customer decarbonisation

Frequency of engagement

- Event based

SDG



Our communities

What are the aspirations of our communities

- Skill development
- Healthcare
- Education
- Women empowerment

Key concerns

- Community development
- Livelihood generation
- Supporting underprivileged communities through CSR activities

How we engage

- CSR activities
- Collaboration with NGOs
- Focus group discussions.
- One-on-one interactions
- Media

Frequency of engagement

- Event based

SDG

Identifying our priorities

We recognise that the priorities of our stakeholders are constantly evolving and we are committed to adapting our reporting practices to ensure its relevance and effectiveness. As part of this ongoing effort, we consistently evaluate the materiality process to ensure it reflects the most important issues and aligns with our goals. This approach allows us to stay agile and responsive, ensuring we address the factors that matter the most.



Double materiality matrix

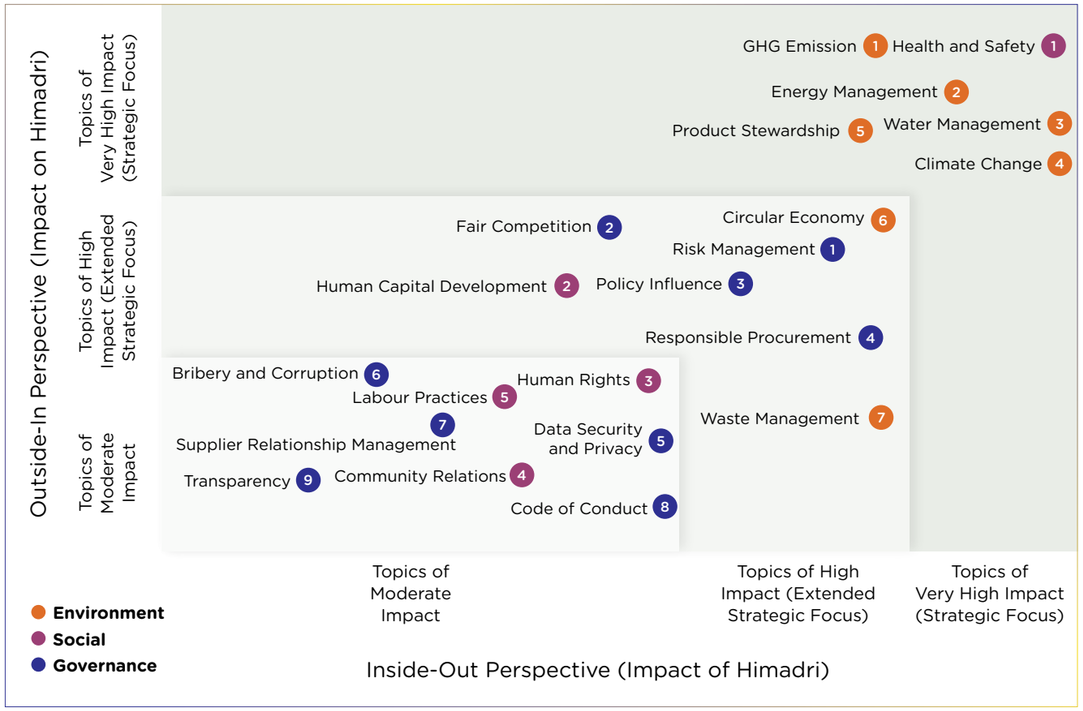


Figure 1: Double Materiality Assessment for Himadri

Environment

1._ GHG emission
2._ Energy management
3._ Water management
4._ Climate change
5._ Product stewardship
6._ Circular economy
7._ Waste management

Social

1._ Health and safety
2._ Human capital development
3._ Human rights
4._ Community relations
5._ Labor practices

Governance

1._ Risk management
2._ Fair competition
3._ Policy influence
4._ Responsible procurement
5._ Data security and privacy
6._ Bribery and corruption
7._ Supplier relationship management
8._ Code of conduct
9._ Transparency

Manual

Automated

Himadri Reloaded..



Himadri's LFP Cathode Active Material

Himadri intends to be a global frontrunner in producing Lithium Iron Phosphate (LFP)Cathode Active Material (CAM), powering 100 GWh of Li-ion battery capacity. We are building this capacity in phases over the next 5–6 years and marking a pivotal contribution to India's battery material self-reliance.

FY 2025 highlights and strategic developments

Demonstration and commercialisation milestones

A **LFP demonstration plant** is being set up. This will fast-track customer approvals and accelerate time-to-market.

The **first commercial plant with 40,000 MTPA capacity** is expected to be operational by **Q3FY2027**, aligned with robust domestic and global demand.

Global-India customer engagement

Customer engagements have **intensified with both Indian and global battery** manufacturers.

The response has been **strongly positive**, reinforcing our belief in LFP's dominance in the global EV and ESS space.

Sustainable supply chain and raw material security

We are actively developing a **cost-optimised, environmentally friendly process** for producing Li_2CO_3

Strategic interest is being explored in **phosphate mines**, securing a key raw material for LFP.

Discussions with **lithium miners** are ongoing to ensure reliable supply of lithium concentrate.

These steps collectively support a **risk-free and secure supply chain** for LFP production.

The Power of LiB, fuelling the future of clean energy

LiBs have been around since the early 1990s, first commercialised in 1991 for consumer electronics like camcorders. Over the past three decades, rapid advancements in chemistry, battery management systems, and manufacturing scale have significantly improved their performance, safety, and affordability. This evolution has enabled LiBs to transition from powering gadgets to becoming a cornerstone of the global energy transition — now driving electric vehicles, storing renewable energy, and even supporting critical infrastructure in aerospace, medical, and defense sectors.

LiBs offer a marquee edge over other battery chemistries such as Sodium-ion owing to their best-in-class energy density, balanced performance across cost, efficiency, and scalability, and the benefit of mass production and global scale that lowers per-unit costs. They also benefit from ongoing innovations in LFP and NMC chemistries, battery management systems, and recycling methods. Their versatility across EVs, consumer tech, renewable storage, medical, and aerospace sectors reduces market risk for businesses.

LiBs offer the most strategic blend of performance, scalability, and market readiness. They are at the heart of the global energy transformation, empowering clean mobility, distributed energy, and digital innovation and are likely to remain the most valuable and dependable asset for future-ready enterprises.



Himadri envisions market leadership in the area of LFP Cathodes and other LiB component materials for the EV and ESS Battery supply chain reflecting the advanced contemporary technology and catering to the Indian and global supply chain.

M.B. Gadgil
Business Head- NEM

LFP chemistry: The smart choice for energy storage

Why choose LFP over other Li-Cathode technologies?

Lithium Iron Phosphate (LFP) batteries stand out among lithium-ion technologies due to their exceptional safety, longevity, and environmental advantages.

Significant benefits

- Enhanced thermal and chemical stability, which minimises the risk of overheating or combustion
- Longer lifespan more charge and discharge cycles than their NMC counterparts,
- Economical, LFP batteries are more economical to produce, due to abundance of iron and phosphate and simpler supply chains, unlike NMC or NCA batteries which rely on costlier and geopolitically sensitive materials like cobalt and nickel.
- High operational efficiency across a wide range of temperatures and charge states, ensuring consistent performance in diverse applications from EVs to grid storage. These combined benefits make LFP an increasingly attractive and scalable solution for the future of clean energy storage.

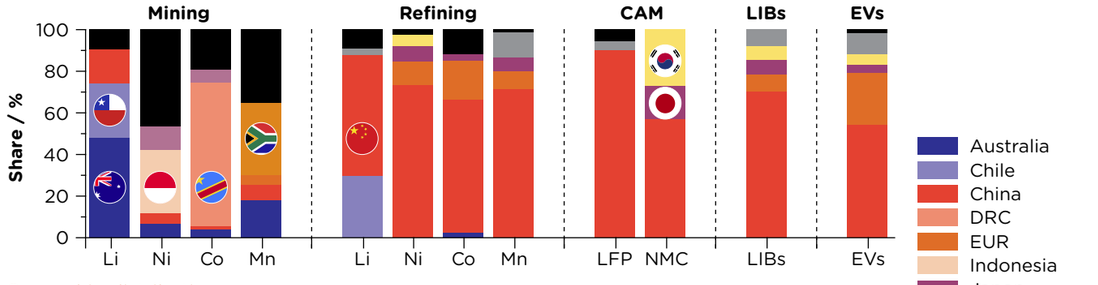
LFP Dominance in China's EV Market

LFP batteries emerged as the dominant battery technology in China's EV market accounting for over 60%** EV Battery installations. In 2024 alone, the share of LFP Battery technology in the cumulative battery installations of China was around 75%, up by 56.7% from the previous year*. The exponential growth of electric vehicles (EVs) and grid-scale energy storage systems (ESS) has propelled Lithium Iron Phosphate (LFP) batteries to the forefront of global demand with over 70% of automakers around the world now exploring LFP chemistry for their next generation models.**

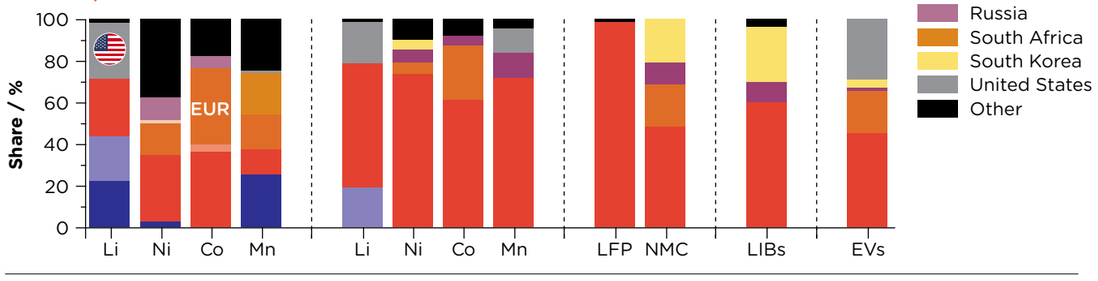
Moreover, peak for LFP production in China is above 98 %, consequently the cathode active material production of LFP represents the point at which Chinese control is almost complete, with a production share of 98.45 %. In addition, Chinese companies possess the largest shares in the refining of each element as well, ranging between 59.50 % and 73.57 %, with only minor alterations compared to the geographical distribution.#

Regional ownership shares- Geographical distribution#

Geographical distribution



Ownership distribution



*Shanghai Metal Market- Top 15 Domestic Power Batteries in 2024: CATL/BYD LFP Installations Exceed 100 GWh, 14 Jan 2025
**Global Growth Insights- LFP Battery Market Size, Share, Growth, and Industry Analysis, Last Updated: 28 Apr 2025
#Journal of Power Sources Advances-China's hold on the lithium-ion battery supply chain, Apr 2025

Strategic opportunity: establishing LFP production outside China

The exponential growth of electric vehicles (EVs) and grid-scale energy storage systems (ESS) has propelled Lithium Iron Phosphate (LFP) batteries to the forefront of global demand. LFP technology now dominates EV adoption in China — the world's largest EV market

However, despite this rising global demand, China controls major chunk of the entire LFP supply chain#, including material sourcing, cathode active material production, cell manufacturing, and integration. This geographic concentration exposes global markets to significant geopolitical, logistical, and supply chain risks, especially as governments push for energy security and supply chain diversification in the wake of recent disruptions.

Establishing the first commercial LFP manufacturing plant outside of China presents a strategic opportunity that would not only diversify the global supply chain but also position the new facility as a key player in meeting the growing international demand for safe, cost-effective, and environmentally friendly battery solutions.

Electric Vehicles – Driving the LFP surge

India's electric vehicle landscape continues to gain momentum, supported by Government policies, expanding product offering and growing consumer adoption.

EV penetration in India rose to **7.3%** in FY 2025, up from **6.8% in FY 2024**, indicating a rapid shift toward cleaner mobility.*

Leading OEMs such as **Tata Motors** are launching premium yet accessible EVs, while global majors like **Tesla** and **BYD** are finalising their India entry plans.

LFP batteries are increasingly preferred for EVs due to their **thermal stability, cost-efficiency,** and **enhanced safety,** especially in tropical markets like India.

Region	EV growth outlook	LFP CAM demand trend
China	Mature, market leader	Stable growth with price competition
India	High double-digit CAGR	Strong upward revision in demand projections
Rest of World (RoW)	Accelerating adoption	Emerging opportunities for Indian suppliers

Stationary energy storage

As India marches toward its ambitious goal of achieving **500 GW of renewable energy capacity, stationary energy storage systems (ESS)** are poised to become a major demand centre for LFP batteries.

LFP's attributes—long cycle life, operational safety, and **low cost**—make it the preferred chemistry for large-scale storage solutions.

With rising grid integration needs globally, the stationary storage segment presents a **multi-GWh opportunity** for LFP cathodes.

India's emergence as a global battery materials hub

Amid rising geopolitical realignments, particularly the shifting dynamics in China-U.S. trade, India is emerging as a **strategic and trusted alternative** for global battery supply chains.

This presents a compelling export opportunity for Indian **Cathode Active Material** and **Anode Material** producers.

With an **integrated value chain** spanning LFP CAM production, and materials R&D, we are uniquely positioned to support global battery manufacturers—and drive **Atma Nirbhar Bharat** forward.

*PIB Delhi- Policies Regarding EV Charging Facilities, 11 Mar 2025
#Journal of Power Sources Advances- China's hold on the lithium-ion battery supply chain, Apr 2025

Advancing material development, our commitment to R&D and innovation

Our innovation pipeline is aligned with the evolving needs of next-gen mobility and energy solutions:

LMFP (Lithium Manganese Iron Phosphate), a next-gen variant, is under active development. It offers **15–20%*** better energy density, while delivering the safety of LFP.

We are the **only Indian company selected** by the Indo-German Science and Technology Centre for a landmark battery recycling initiative, strengthening our circular economy efforts.

AI-driven R&D initiatives are accelerating breakthroughs in battery performance—enabling **fast charging, lightweight designs,** and **longer cycle life**.



*EY Parthenon- How LMFP batteries can power India's electric vehicle market, 13 Feb 2024

Policy tailwinds and global strategic alliances

Strong policy support and strategic collaborations are reinforcing India's position as a global battery manufacturing hub:

The Government of India has introduced multiple enablers:

Customs duty exemptions for machinery and component imports

Production-linked incentives (PLI), GST benefits, and **road tax waivers** to boost EV and energy storage adoption

Our

global collaboration agreements

are future-ready—designed to continuously scale, adapt to customer needs, and foster co-development with global cell makers.

Birla Tyres

Aligning strategy with opportunity

Strategic alignment with our shared vision

In Oct'2023, Himadri Speciality Chemical Ltd (Strategic Partner) along with Resolution Applicant-Dalmia Bharat Refractories Limited (DBRL) ("Hereinafter collectively referred as 'We' in this section) successfully acquired Birla Tyres Limited. This acquisition was a key strategic move that signifies our foray in the B2C segment and aligns with our vision of growth and diversification.

We expect to begin production by first quarter of FY 2026

Over the course of FY 2025, we have worked extensively towards modernising and revitalising the production facilities, conducting extensive market research, undertaking product developmental activities, and establishing distribution channels.

We are confident that this new business will pave the way for our shared growth vision.

BTL's enduring legacy across mobility ecosystems

Birla Tyres Limited (BTL) carried a proud legacy of manufacturing high-performance tyres, historically serving critical sectors

#ATMA – Global Tyre Industry 2023



"We are shaping our tyre business with the agility of a startup and the strength of our storied legacy—adapting to evolving industry trends and pioneering next-generation speciality tyres to drive the global e-mobility revolution.

Somesh Satnalika
EVP - Tyre & Strategy

Birla Tyre's legacy product portfolio:

BTL's product portfolio has garnered deep trust across diverse market segments

- Truck & Bus Bias Tyres (TBB)
- Off-Highway Tyres (OHT)
  - Agricultural Tyres (Agri)
  - Industrial, Construction, and Mining Tyres (CIM)

Legacy brands:

- BT112, BT339, Ultra Miler – synonymous with durability in the TBB segment
- Shaan, Chakra – well-regarded names in the Agri segment
- Kalapatthar, Ultra Trac, Ultra Grip, Loader Max – trusted solutions in mining and construction sectors

Cater to domestic and exports market demand with a wide portfolio

Attractive global opportunity

- Global tyre market valued at approximately **USD 192 Billion** in 2023, with a positive growth outlook over the next 5–6 years#
- The number of global tyre plants has gone up consistently from 497 in 2012 to 584 in 2023 with Asia-Pacific accounts for over **60% of global tyre manufacturing capacity#**

No. of tyre plants Globally (2023)*

191 TBR	**110** Motorcycle
274 PCR+LT	**175** Farm
27 Racing	**132** Industrial
124 OTR	**16** Aircraft
101 TBB	

*A manufacturing plant may manufacture multiple categories

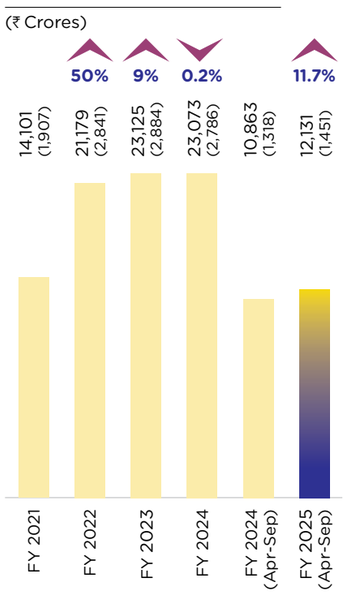


Export potential: Scale up our operations to target high-growth export markets

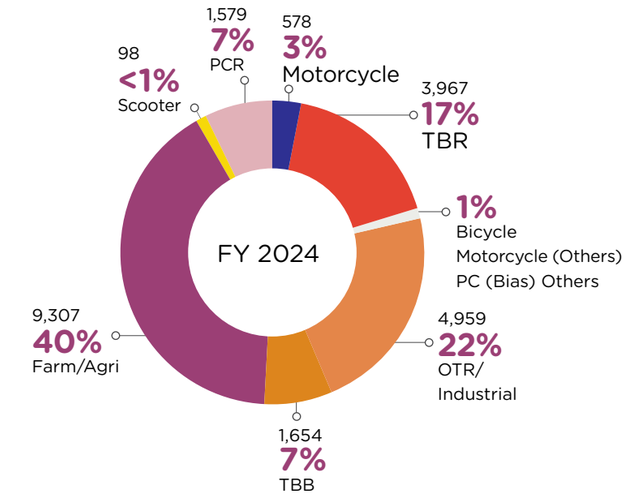
The sector has been witnessing more and more Indian players consolidating through M&As, for adding to their OHT capacity in order to cater to the lucrative high margin export market

- Indian tyre exports stood at **₹ 23,073 Crores** in FY24*
- Indian tyre export market has shown moderate growth and witnessed a substantial jump in the first half of FY25
- USA, Germany, France, Brazil are the top importer of Indian tyres
- High-margin segments like Farm/Agri (40% share) and Off-the Road /CIM (22% share) dominate export volume*

Total tyre exports from India



India's Tyre export by category for FY 2024



Total : ₹ **23,073 Crores**

Comprehensive product portfolio of specilaity tyres to service different tyre segments

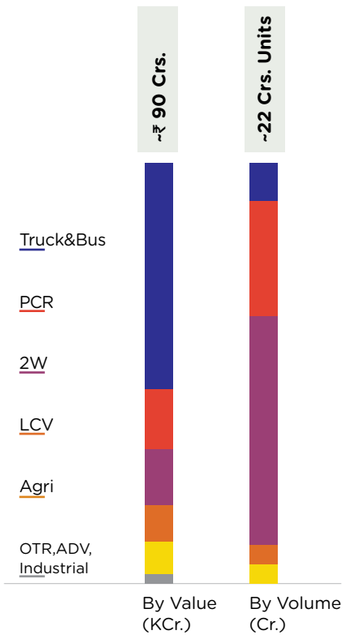
Indian tyre market projected to grow from **USD 10.3 Billion#** in 2023 to **USD 22 Billion** by 2032 (CAGR ~10%)**

Produce speciality tyres across TBB and OHT- CIM, and agri segments

- Truck & Bus segment contributes **50–55%#** of the Indian domestic market turnover
- Off-Highway Tyres (OHT) represent approximately **10%#** of market value demand

Expand product offerings into Passenger Car Radials (PCR) segments

- Passenger Car Radial (PCR) represents ~13% of the tyre market turnover and this segment is witnessing healthy growth at a **~6% CAGR#**
- We will revamp our existing PCR unit to cater to this growing demand



*ATMA – Tyre Exports from India (FY 2025, Apr- Sep)
#Company research
**Crisil- Tyre industry on a roll, driving towards doubling in size, 3 Jul 2023

Focus on building strong new product development capabilities to service evolving market trends

- Rising global demands of Tyres have been driven by increased vehicle sales, EV penetration, and replacement tyre cycles
- Building cutting-edge capabilities for EV tyres that support higher loads and greater torque

Our competitive edge

Through a multi-pronged approach, we are poised to create unique, sustainable advantages in the marketplace

To differentiate and lead in this competitive landscape, our strategy is built around:

- **Specialisation focus:** Prioritising high-value, high-performance speciality tyres, including OHT, PCR, and EV-compatible solutions
- **Brand equity leveraging:** Reviving trusted legacy brands through modernisation and advanced quality systems
- **Innovation orientation:** Building cutting-edge technological capabilities that can provide superior solutions to varying customer needs
- **Go-to-market excellence:** Establishing a modern marketing and agile distribution network for domestic and international markets

Progress so far: Revitalisation in motion

FY25 focus: Building the foundation for growth

- **Asset revamp:** Comprehensive health assessment and modernisation of production facilities to world-class standards
- **Team building:** Onboarding experienced leadership across business functions to strengthen innovation and execution
- **Product development:** Creating a dynamic portfolio aligned with evolving market trends and mobility needs
- **Marketing and distribution:** Establishing a robust domestic and international distribution framework

With these initiatives underway, **Birla Tyres is well-positioned to transform into a modern, agile, and innovation-driven player in the global tyre industry.** Our legacy, combined with our renewed strategic focus and customer-centric approach, will enable us to not only establish our leadership in traditional markets but also capture new opportunities in emerging mobility segments. We are committed to building a future that honours our proud heritage while embracing sustainable growth, technological advancement, and enduring stakeholder value creation.

Reviving a trusted brand. Creating enduring value. Accelerating towards a sustainable future.



Sicona

Sicona Battery Technologies has made substantial progress over the past year, with significant developments in technology, funding, and strategic planning. The company's focus on innovation and expansion positions it well to capitalise on the growing demand for advanced battery materials in the EV and renewable energy sectors.

Sicona's transformative year: Key updates and milestones

Expansion plans

In May 2025, Himadri announced an exclusive technology licensing partnership with Sicona that grants Himadri the rights to access, localise, and commercialise Sicona's proprietary Silicon-Carbon (SiCx®) anode technology in India—widely regarded as one of the most promising advancements in LiB performance globally. This comes on the back of Sicona's April 2024 announcement of its intention to establish its first commercial production facility in the southeastern United States. These strategic moves aim to position Sicona at the heart of the burgeoning and developing battery and electric vehicle manufacturing hubs and industries.

Pilot plant achievements

Sicona's pilot plant team ramped up production in the latter half of 2024, exceeding targets by producing over 25 KG of Gen3 SiCx® material. This production supported the dispatch of samples to multiple auto and battery manufacturers.



Innovative technologies at Sicona: Potential applications and global impact

Silicon-Carbon (SiCx®) Anode Materials

Sicona's core technology involves the development of silicon-carbon composite anode materials for lithium-ion batteries. **These materials offer over 20% increase in energy density compared to conventional graphite-only cells and reduce charging times by more than 40%.** Such advancements can significantly enhance electric vehicle (EV) performance by extending driving range and decreasing charging durations.

Gen3 SiCx® Performance

The third-generation SiCx® product has demonstrated superior performance metrics, including higher tap density, lower electrode resistance, and improved cycle life compared to commercial SiOx materials. These attributes contribute to batteries that are more efficient, durable, and capable of faster charging.



What sets Sicona apart

Commitment to sustainability

Sicona's technologies contribute to the broader goal of reducing greenhouse gas emissions by enhancing the performance and adoption of electric vehicles, aligning with global sustainability objectives.

Market positioning

By leveraging cost-effective and scalable manufacturing processes, Sicona aims to offer high-performance battery materials without reliance on expensive and hazardous supply chains, positioning itself favourably in the global market.

Intellectual property portfolio

Sicona's extensive IP portfolio underpins its technological advancements, providing a competitive edge in the battery materials market.



What does the future hold

Funding and strategic partnerships

Sicona continues to engage with potential investors and strategic partners to support its expansion plans. The company is exploring non-equity funding avenues, including grants and tax incentives, to bolster its financial position.

Customer engagement and product qualification

Sicona has initiated offtake discussions and is supplying product samples to cornerstone customers. Qualification activities are expected to intensify over the next 12 to 18 months, facilitating the establishment of long-term partnerships.

Commercial scale manufacturing

Beyond the initial U.S. facility, Sicona plans to expand production capacity to 26,500 TPA by the early 2030s, aiming to supply materials sufficient for over 3.25 Million EVs.

Liquid Coal Tar Pitch

Commissioned high temperature liquid coal tar pitch terminal at haldia port

Himadri's plan to strengthen its footprint in the coal tar pitch export market



Himadri has now planned to expand its operation to the liquid coal tar pitch market and establish a strong market presence for export of liquid pitch.

This is a first of many in our foray into the internation liquid coal tar pitch market to serve all key internation markets.

Levers

Approvals across major Aluminium players

Brand recognition in the global market

Serving customers across 56 countries

R&D capabilities

Recognition in the solid pitch market

World class quality

We have successfully completed our first export shipment of Liquid Coal Tar Pitch in October 2024, paving the way for large global liquid coal tar pitch market.



Durofresh™: Unlocking value in B2C Naphthalene balls market

Backed by decades of expertise and a strong legacy in naphthalene manufacturing, we possess the technical capability and quality assurance required to excel in consumer-facing markets.

This allows us to capture greater value within its existing value chain by directly engaging with end consumers, thus enhancing margins and building brand equity.

From a market perspective, the global naphthalene mothballs market is poised for steady growth, valued at USD 1.5 Billion in 2024 and expected to reach USD 2.1 Billion by 2033, growing at a CAGR of 4.5% from 2026. The Asia Pacific region, which includes India, is the fastest-growing market, projected to expand at CAGR of 6.5%.* Domestically, the Indian naphthalene market is forecasted to reach USD 232 Million by 2030, growing at a CAGR of 3.5% from 2024.#

This growth, combined with rising consumer awareness around pest control and hygiene, presents a compelling opportunity for us to introduce premium, branded naphthalene ball products in the B2C segment. Leveraging our manufacturing strength, quality consistency, and innovation potential, **we are well-positioned to differentiate ourselves in a fragmented market, ultimately creating a new revenue stream while reinforcing our brand presence not only in India but across the world.**

To seize this opportunity, we are launching **"Durofresh"**, a refined naphthalene ball brand engineered to set the benchmark for quality and efficacy. Durofresh balls deliver an industry leading **99.5 % purity** which makes them completely stain free and significantly boosts vapour strength for faster, longer lasting protection. This superior purity underpins a clear consumer promise: the only sure method of killing destructive moths, their eggs and larvae. Designed for long term or seasonal storage, Durofresh penetrates every fold and crease of garments and linens kept in drawers, chests and trunks, offering **worry free, total proof** moth protection. By marrying its proven process technology with a sharply differentiated retail proposition, we aim to create more value while establishing a trusted household brand that can fuel future extensions in the home care aisle.



*Verified Market Reports- Global Mothballs Market Size By Product Type, By End-User Application, By Formulation Type, etc: Feb 2025

#Horizon Grand View Research- India Naphthalene Market Size & Outlook, 2023-2030

Nanotechnology

In FY 2025, Himadri acquired a 40% stake in Invati Creations. This partnership is driven by a shared vision of producing high-quality lithium-ion battery (LiB) materials and exploring innovative technologies in the battery material segment and beyond.

Invati maintains a strong focus on engineering Lithium-ion electrode materials. Its R&D work in this domain is progressing as planned, with products capable of offering efficient energy storage solutions that provide higher energy density and longer battery life being synthesised and tested.

Together we have been engaged in extensive R&D works for synthesis and testing of different novel molecules that leverage nanotechnology enabled formulation techniques. These efforts are aimed at developing new groundbreaking solutions that will be capable of addressing challenges across businesses and industries.

The team of Invati holds multiple patents and is continuously engaged in developing many more patentable technologies for synthesising novel molecules that can fulfill an array of niche use cases.

Acquisition cost

40%

stake for a consideration of ₹ 45.16 Crores

Directors

Himadri has two nominee directors on the Board of Invati

We remain committed to driving innovation, developing new groundbreaking solutions and delivering value to our stakeholders.

Speciality Carbon Black expansion

CAPEX TO MORE THAN DOUBLE SPECIALITY CARBON BLACK CAPACITY

- Brownfield expansion of a new speciality carbon black line of 70,000 MTPA
- Increasing the total speciality carbon black capacity to 1,30,000 MTPA making it world's largest speciality carbon black capacity at single site
- Estimated capex of ₹ 220 Crores
- Scheduled to be operational by Q3FY26

Key Sectors Driving Demand of Specilaity Carbon Blacks

- Inks
- Authomotive
- Tyres
- Plastics
- Rubber
- High-performance coatings
- Conductive fibers
- Batteries

Forward Integration into High-value Speciality Chemicals

We are now embarking on another forward integration initiative that leverages our expertise in coal tar derivatives. This new venture involves the utilisation of our existing coal tar distillates, to produce two high-value chemicals: anthraquinone and carbazole. Both of these chemicals have unique properties and niche applications across various industries, making them highly sought after in the market.

Strategic rationale

__**Target market:** Domestic and Global, ensuring a broad reach and diversified customer base

__**Forward integration:** Forward integrating from our existing coal tar distillates to unlock value and enhance our product offerings

__**New markets:** Unlock new markets and territories

__**Customer expansion:** Leverage our existing customer base in the dyes and pigments market to drive growth and establish a strong market position

__**Cost efficiencies:** Leveraging the existing infrastructure and expertise in coal tar derivatives

₹ 120 Crores
Estimated investment (Capex)

Q2 FY2027
Expected commencement of operations

This initiative is the first of its kind in India at this scale and aims to eliminate the country's reliance on chemical imports. **It aligns with Himadri's commitment towards the Government of India's vision of an Atmanirbhar Bharat, promoting self-reliance and reducing dependency on foreign sources.**

Anthraquinone

Applications in the production of dyes, paper, and hydrogen peroxide.

Used as a catalyst in the production of hydrogen peroxide, a key component in bleaching and disinfecting processes

Carbazole

Pharmaceutical industry: Derivatives are used in the synthesis of various drugs, including antimalarial and anticancer agents.

In agrochemicals, carbazole-based compounds serve as intermediates in the production of pesticides and herbicides.

Used as a key component in the development of organic light-emitting diodes (OLEDs)

[For more details, please refer to Management Discussion and Analysis section of this report, Page 102]

Bringing possibilities to life

Our strong focus on Research and Development (R&D) plays a key role in maintaining our competitive edge in the market. Our R&D initiatives are driven by cutting-edge technologies, enabling us to develop products that meet the evolving demands of the market. Aligned with our sustainability goals, we are committed to reducing water consumption and enhancing water recycling processes.



Our Research efforts are intensely focused on unlocking the potential of novel materials and molecules—spanning nanotechnology, speciality carbon blacks, alkali metal-transition based rare-earth-based battery component materials, and advanced recycling initiatives—to deliver meaningful value to our customers and contribute sustainably to a circular economy.

Dr. Soumen Chakroboarty
President Carbon Black Division

Pillers of R&D

- Global knowledge bank
- Techno-commercial team
- World class laboratory
- Consistent R&D
- An innovative mindset

Our advanced R&D facilities are accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL), ensuring the highest standards in research and testing. Supported by a team of global experts, we continuously foster innovation and advance our product offerings to deliver exceptional value.

Process of R&D for product development

- Conceiving the product based on market trend
- Bench scale study
- Pilot production for establishing the process
- Production
- Product offering
- Customer feedback
- Commercialisation

Portfolio of few products

2010

Offering essential elements to several industries

Until 2010, our focus was on supplying key raw materials to multiple core industries.

We supplied coal tar pitch to aluminium and graphite electrode industries and carbon black to tyre industries.

As we specialised in providing vital components to numerous sectors, we quickly rose to prominence in the chemical manufacturing sector.

Core products

- Coal Tar Pitch-Binder Grade
- Coal Tar Pitch – Impregnating
- Carbon Black
- Naphthalene
- SNF
- C.B. Oil

From growing carbon value chain to promising mobility and energy storage opportunity

2011 to 2021

Value-added products

Himadri has constantly evolved towards an integrated business model, which thrives on a product portfolio full of value-added products.

- Aluminium Grade Pitch
- Graphite Grade Binder Pitch
- Graphite Grade Zero QI (Quinolene Insoluble) coal tar impregnated pitch
- New Energy Material for LiBs
- Special Pitch
- Naphthalene
- Refined Naphthalene
- Light Creosote Oils
- Heavy Creosote Oils
- Anthracene Oil/Carbon Black Oil/ CT Oil
- SNF
- PCE
- Carbon Black
- Speciality Carbon Black
- Himcoat enamel
- Himcoat Primer-B
- Himtape
- Himwrap

Promising growth opportunity

2022 onwards

Products forming the critical component materials for Lithium-Ion Batteries and Tyres to be included in the portfolio

Charging ahead the growth of the lithium-ion battery market

The rising popularity of electric vehicles and other forms of energy storage have been major factors contributing to the rapid evolution of the lithium-ion battery sector. Himadri plans to be pioneer supplier in this segment.

- Products forming critical raw materials for lithium–ion batteries

Products under research and development

- Speciality Tyres
- Agri solutions
- Speciality Oils and Solvents
- Animal health solutions
- New grades of Speciality carbon black
- Human health solutions
- Battery Recycling
- Next- gen anode materials

Research and development

Himadri's groundbreaking research initiatives across multiple domains, highlights our pioneering innovations that are driving sustainability and enhancing lives globally.

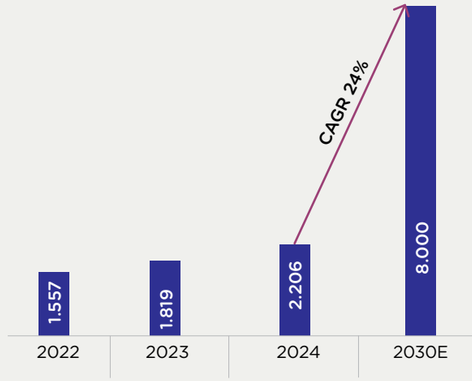


Innovating Anode Chemistries: Pioneering solutions for advanced energy storage systems

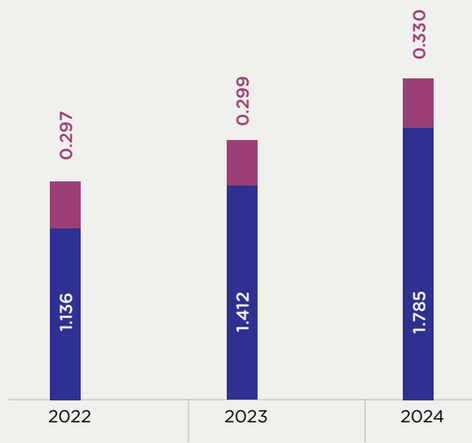
the anode is a critical value driver in every lithium ion cell, and—together with the cathode—represents close to 65% of the total Li-ion cell cost**. Its performance directly impacts the overall efficiency, capacity, and lifespan of the battery. Its architecture therefore sits at the heart of both performance leadership and cost competitiveness.

Demand is surging, and migrating toward higher-performance chemistries

Global Anode sales volume trend (In Million MTPA)*#



China Anode sales volume trend (In Million MTPA) *#



VOLUME ACCELERATION*

Worldwide anode demand has expanded by ~42% from 2022 till 2024, driven by EV adoption and stationary storage.

SHIFT TO SYNTHETICS AND ADVANCED BLENDS*

Synthetic graphite is growing faster than the market, reflecting preference for longer cycle life and high rate capability. In China alone, synthetic graphite commands ~85% of total tonnage in 2024 and has grown over 57% in the past two years.

SUPPLY CHAIN DIVERSIFICATION OPPORTUNITIES*

Chinese dominance, accounting for ~98% of world demand, highlights skewed supplier concentration in a particular geography, while opening opportunities for geographically diversified supply chains.

*Zhongguancun New Battery Technology Innovation Alliance, China's negative electrode material shipments will reach 2.115 million tons in 2024. New faces appear in the top ten companies- 24 Jan 2025
#China YiWei Institute of Economics- EVTank: China's negative electrode material shipments will reach 1.711 million tons in 2023, and the threshold for the top ten shipments will be raised to 40,000 tons, 2 Feb 2024
**Visual Capitalist- Breaking Down the Cost of an EV Battery Cell, 22 Feb 2022

Worldwide anode demand has accelerated by more than 6 Lakhs tons within just 3 years, at a CAGR of 19%, propelled by rapid EV adoption and the expansion of stationary-storage installations. At the same time, synthetic graphite continues to outpace overall market growth, underscoring original-equipment manufacturers' preference for longer cycle life and high-rate capability. Though China dominates in anode sales and is projected to supply about 98 % of total anode demand by 2025, this concentration exposes supply-chain resilience risks, creating an opening for geographically diversified producers.*

Our chemistry roadmap mirrors this market evolution

Our R&D is intentionally diversified across four complementary chemistries:

Chemistry	Rationale	Typical applications
Natural graphite	Lowest cost per kWh	Mass market consumer electronics, cost sensitive EV packs
Synthetic graphite	High purity, long cycle life	Performance oriented EVs, aerospace, industrial machinery
Hybrid (natural + synthetic)	Cost/performance balance	Fast-charging 2-wheelers, stationary storage
Silicon–carbon composite	2-3x capacity, rapid charging	Premium smartphones, next-gen EV platforms

Having worked across these chemistries for decades, we strengthened our silicon–carbon for anode pathway last year by acquiring a stake in **Sicona Battery Technologies** and this partnership accelerates development of high capacity silicon carbon anodes.

Strategic rationale

The market trend confirms a quantitative pull for advanced anodes; our multi chemistry portfolio is positioned to supply each growth pocket. **By coupling legacy expertise in natural and synthetic graphite with Sicona's technology, we can serve both cost driven and performance driven customers** as the global market is expected to reach 8 Million tons by 2030#. This strategic alignment transforms our venture into anode manufacturing from an R&D initiative into a core growth platform for the company.

The market's trajectory validates our decision to invest aggressively in anode innovation—and gives us a clear runway to deliver the next generation of energy storage solutions.

*Zhongguancun New Battery Technology Innovation Alliance, China's negative electrode material shipments will reach 2.115 million tons in 2024. New faces appear in the top ten companies- 24 Jan 2025
#China YiWei Institute of Economics- EVTank: China's negative electrode material shipments will reach 1.711 million tons in 2023, and the threshold for the top ten shipments will be raised to 40,000 tons, 2 Feb 2024

Pioneering innovations in Nanotechnology: Transforming industries and enhancing lives globally

Our commitment to innovation is exemplified through our extensive research and development efforts in nanotechnology. This cutting-edge field holds the potential to revolutionise various industries and improve the quality of life for people around the globe.

Our R&D initiatives are focused on developing nanotechnology solutions that address a wide range of challenges faced by both businesses and consumers. By leveraging the unique properties of nanomaterials, we aim to create advanced products that offer superior performance and efficiency.

Diverse applications

We are extensively researching on leveraging the potential of nanotechnology for diverse industry and personal use cases, including agriculture, animal health, energy storage, human health and wellness and more.

Agriculture

- Speciality Fertilizers: replace legacy fertilizers at a fraction of the cost
- Nano Minerals: Supply and replenish essential minerals needed by crops
- Bio Stimulants: Boost the yield and growth rate of crops
- Seed Coats: improve the rate of germination and protect seeds from environmental stress
- Shelf Life enhancement: extend the shelf life of crops, especially vegetables and fruits, which often lose value during transit

Animal health

- Cattle Solutions: boost milk yield and the calcium content in milk
- Poultry and Aqua Animals: enhancing physical condition and health
- Novel Probiotics: oral probiotics for animals, which can help boost their overall health and well-being.

Sustainability solutions

- Landfill Management: Tackle slow decomposition of organic waste in landfills.
  Our technology aims to accelerate organic waste decomposition while controlling foul odors

Human health and wellness

- Essential Vitamins and Minerals: Develop essential minerals and vitamins in form factors that help with efficient delivery and absorption
- Other applications: Solutions to counter allergies, infections and more

Our research is not limited to India; we are developing solutions for the global market. The main aim of our nanotechnology research is to build solutions that touch the lives of people globally and help solve important problems. By focusing on innovative applications and global adoption, we are committed to making a positive impact on society and contributing to a sustainable future.

Transforming end-of-life tyres: Sustainable solutions with recovered carbon black for a circular economy

We are extensively putting our R&D might into developing an innovative approach to recycle end-of-life tyres. By transforming these tyres into valuable products, we aim to address environmental concerns and contribute to a circular economy.

End-of-life tyres pose significant environmental challenges. They are non-biodegradable and can occupy large amounts of space in landfills, leading to environmental degradation. Additionally, improperly managed tyres can become breeding grounds for mosquitoes, contributing to the spread of diseases such as malaria and dengue

Globally, around 1 Billion waste tyres are generated. Out of which the recycling industry processes close to 10% of this number. India generates about 1.5 Million tons of ELT per annum,* a significant portion of these tyres ends up in landfills, exacerbating environmental issues.

In India, the informal sector typically, disposes these ELTs off by burning to extract pyrolysis oil. This process releases harmful pollutants, including carbon monoxide, sulfur oxides, and volatile organic compounds, contributing to air pollution. Recognising the environmental hazards, the National Green Tribunal (NGT) of India in the matter of Social Action for Forest & Environment (SAFE) Vs Union of India & Others dated 07/11/2022 ordered that tyre pyrolysis oil units (TPOs) need to follow 'zero liquid' and 'zero emission' norms.#



*https://mrai.org.in/theindustry/rubber.html

#http://www.indiaenvironmentportal.org.in/content/473922/order-of-the-national-green-tribunal-regarding-tyre-pyrolysis-oil-units-in-india-07112022/

We are working on developing advanced technology to process end-of-life tyres and produce multiple valuable products:

a. **Tyre Crumbs:** various applications, including use in road construction. The Indian Roads Congress (IRC) has also published IRC:SP:53 “Guidelines on Use of Modified Bitumen in road construction”. Ministry of Road Transport & Highways (MoRTH) has issued guidelines from time to time for use of such modified bitumen in bituminous pavement courses.*

a. **Tyre Pyrolysis Oil, Residual Steel, and Recovered Carbon Black:** In keeping with the mandates of NGT, our research and testing works are progressing on developing our technology that can allow for extraction of these materials without harmful emissions. Recovered carbon black (rCB) is of special note, as it can replace virgin carbon black , in various applications. Many global tyre producers are actively exploring using a fixed percentage of rCB in their tyres, to reduce their overall carbon footprint.

We are actively working to build circularity across our operations. As one of the leaders in carbon black production, which is essential for tyre manufacturing, and having entered the tyre production sector with Birla Tyres - by recycling end-of-life tyres and extracting recovered carbon black, we have the opportunity of creating a closed-loop system where recycled materials can be used to produce new tyres, contributing to a sustainable future.

Innovative recycling: Producing high-value solvents from waste/ used oils

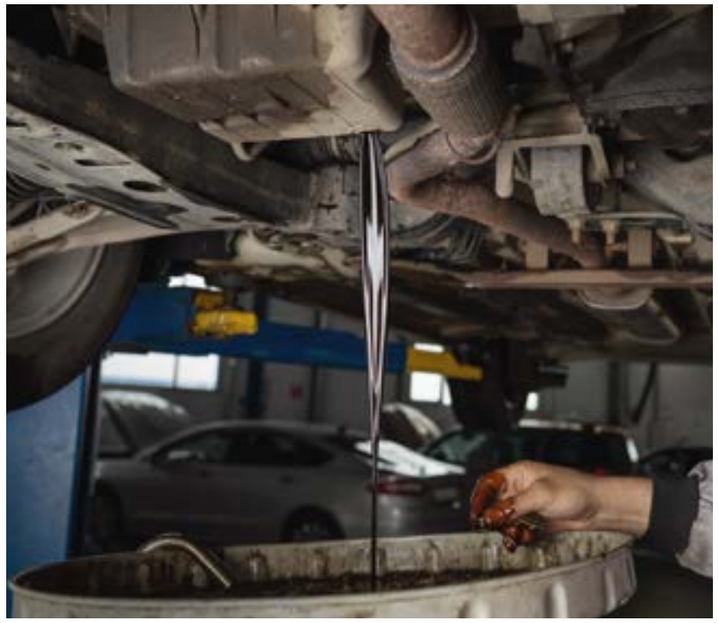
Our innovative approach to sustainability is reflected in our research and development efforts focused on recycling waste oils. **By transforming used engine oil, cooking oil, and other types of oils into high-value solvents, we aim to create solutions that are both environmentally friendly and economically beneficial.**

According to our primary research, the annual waste oil generated in India is estimated to be 4.4 Lakhs MT, with the automobile sector accounting for almost 60% of this. This significant volume of waste oil presents both a challenge and an opportunity for sustainable management.

Our recycling process has the potential to reduce carbon footprint but also aligns with global effort towards transitioning to clean energy solutions.

The finished products from our waste oil recycling initiative have the potential to power machinery and operations at a small-scale enterprise level. These high gross calorific value solvents have the potential to serve as efficient and sustainable alternatives to conventional fuels for multiple utility cases.

By developing a reliable, sustainable energy source, we aim to support small businesses and contribute to economic growth.



*PIB Delhi- Use Of Crumb Rubber in Road Construction, 2 Dec 2021

Transforming agricultural waste into sustainable bio-based fuels

Our innovative research in this domain focuses on converting agricultural and agro-industrial waste into 100% bio-based fuel. This initiative aims to address environmental concerns while providing sustainable energy solutions.

Globally, agricultural activities generate significant amounts of waste. This waste is generated from various farming activities, including harvesting, processing, and food production. Factors contributing to agricultural waste include increased agricultural production to meet the growing food demand, poor road networks leading to spoilage, and lack of rural electrification limiting cold storage options.

Current management strategies for crop residue, the major byproduct of the agricultural sector, are deemed unsustainable and incompatible with intensive production rate aided by new age agricultural inputs. Crop residue burning (CRB), is the most common way to manage the crop byproduct, and it is the fourth largest contributor to biomass burning emissions globally. In India, more than 87 Million tonnes of crop residue is burned annually.* This method releases harmful pollutants, including carbon dioxide (CO_2) and methane (CH_2), contributing to air pollution and climate change. For example, in India where crop residue burning is prevalent, the risk of acute respiratory infection increases by upto three times. Moreover, the effect of crop residue burning on respiration health is heightened among children.**

Bio fuels are gaining prominence worldwide as a sustainable alternative to fossil fuels. The biofuel market is projected to grow annually by 20%, reaching 58 Million metric tons by 2030, from 16.5 Million metric tons in 2023, highlighting the overall increase in biofuel production volume. The US, Europe, Brazil, Indonesia and India are set to be the primary growth regions, with road biofuel demand increasing by 27 Billion litres and aviation and maritime fuel usage rising by nearly 9 Billion litres.#

Our objective is to process agricultural waste into bio-based fuels, thereby minimising environmental damage. By converting waste into energy, we aim to power various operations sustainably and reduce reliance on fossil fuels. This initiative aligns with our commitment to environmental stewardship and sustainable development.

Battery recycling: Ensuring sustainability and resource efficiency

As the world continues to adopt advanced energy storage systems and significantly increase battery usage, we foresee a significant rise in the number of batteries that will eventually need to be disposed of which necessitates the development of safe and efficient disposal methods. Additionally, it is crucial to recognise that these batteries contain critical raw materials, many of which are scarce and exist in limited quantities. For reference, Lithium which is essential for battery production, has global reserves estimated to be around 28 Million metric tonnes.##

To preserve the availability of such critical minerals, we have been diligently researching and developing advanced battery recycling technologies. Our goal is to extract maximum value from used batteries, ensuring that these precious materials are reused efficiently. This initiative in line with our company's vision of fostering a circular economy. By recycling batteries, we intend not only to reduce waste but also contribute to the sustainable use of resources, aligning with Government of India's vision of an Atma Nirbhar Bharat (self-reliant India), promoting self-sufficiency and sustainability.

Through our proactive efforts in battery recycling, we are committed to creating a sustainable future. By extracting value from used batteries, we ensure the continued availability of critical raw materials, supporting both our company's goals and the broader vision of a self-reliant and sustainable India.

*Science of The Total Environment- Greenhouse gas emissions from agricultural residue burning have increased by 75 % since 2011 across India, 15 Dec 2023

**Crop residue burning in South Asia: A review of the scale, effect, and solutions with a focus on reducing reactive nitrogen losses, 15 Jul 2022

#S&P Global- Aviation, maritime demand to rev up global biofuel feedstock race by 2030, 9 Oct 2024

##U.S. Geological Survey, Mineral Commodity Summaries, January 2024

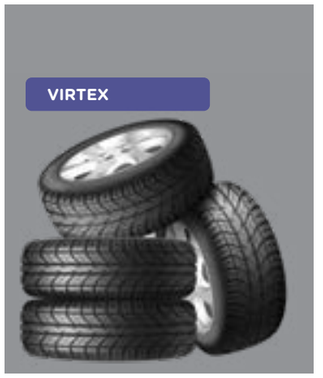
Leading with innovation

Innovative product offerings





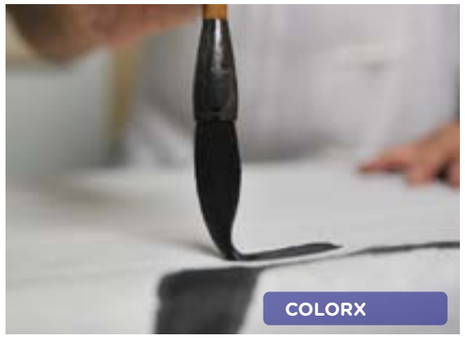


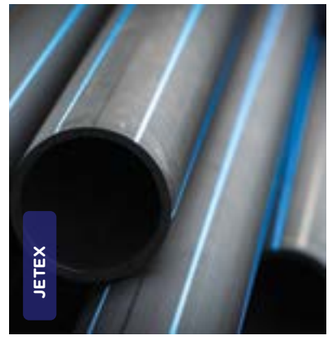


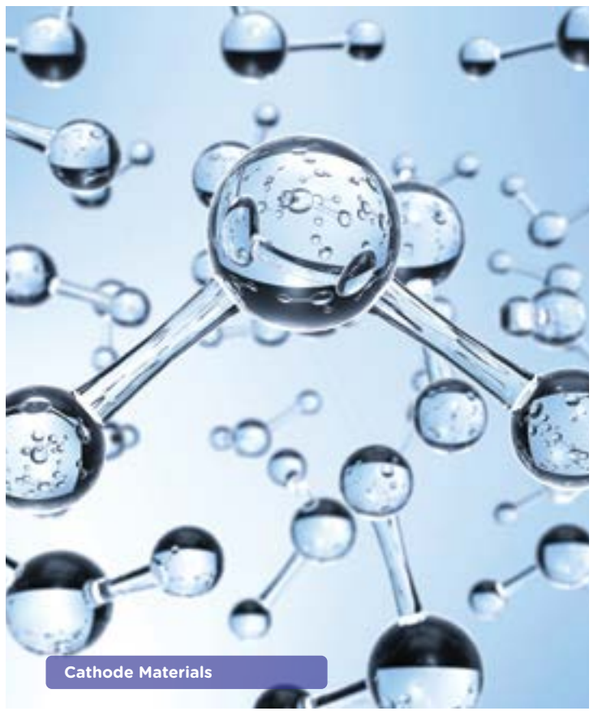


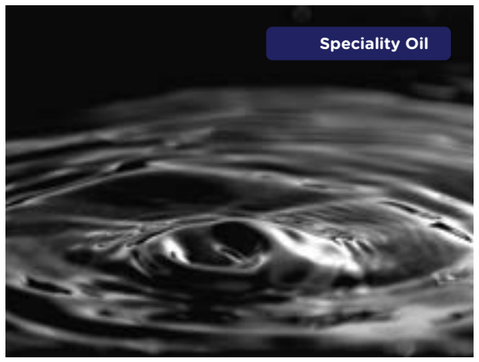




















Case studies

Problem statement — **Solution**

ENERGEX



In our extensive collaboration with industry leaders across the battery, engineering plastics, and semiconductor sectors, a recurring challenge was identified- the need for a product that offers exceptional conductive properties with current solutions often fall short in maintaining consistent conductivity.

We have developed ENERGEX, an engineered powder black designed to excel as a conductive black in premium applications such as batteries, conductive polymers, conductive coatings, rubber, and cement composites. In the context of batteries particularly, ENERGEX plays a crucial role by creating a conductive path for electrons, significantly enhancing the battery's efficiency and lifespan. It only maintains consistent conductivity but also preserves the structural integrity of the material where it is used, effectively bridging the gaps identified in the market.

ELECTRA

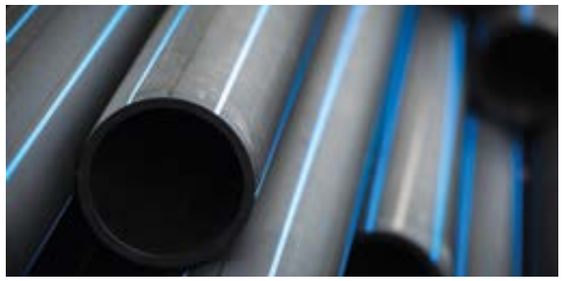
The cable industry has often been confronted with significant challenges related to conductivity. Without proper stress control, these cables are prone to partial discharges, which can ultimately lead to insulation failure. This underscores the urgent need for a solution that can provide reliable conductivity and stress management to ensure the longevity and safety of cable systems.



We created ELECTRA, a conductive carbon black specifically designed for use in the semicon layers of cables and ESD applications. The unique properties of ELECTRA meet the target dissipative and conductive requirements, ensuring optimal performance in critical applications. ELECTRA ensures smooth, contaminant-free interfaces between the conductor and insulation, which is essential to prevent electrical irregularities. For both semicon layers and ESD applications, ELECTRA strikes a perfect balance between conductivity and insulation. Its excellent dispersion properties ensure uniform conductivity, prevent hotspots, and maintain stability under various environmental conditions. This makes ELECTRA an ideal solution for enhancing the reliability and safety of cable systems.

JETEX

Across the inks and footwear industries, particularly in footwear for fashion and sports, there has always been a critical need for high opacity to ensure effective printing on various substrates. Additionally, these industries require solutions that can enhance their products' ability to withstand diverse environmental conditions, including exposure to sunlight, moisture, and abrasion.



To address these challenges, we developed JETEX, an easy-to disperse pigment black designed for applications requiring medium to high opacity and long-term weather-ability performance. JETEX offers excellent cleanliness, ease of dispersion, and superior covering power, making it ideal for thicker and general-purpose film and sheet applications. It ensures uniform distribution of pigments, leading to better coverage and opacity. When added to inks, JETEX helps the ink cover the underlying material completely. In the footwear industry, JETEX provides deep, rich colors that are essential for high-quality footwear design.

KLAREX



As the development of rubber compounds continues to advance, the rubber industry has been facing significant challenges in ensuring appropriate weather shielding effects across these compounds. Additionally, when rubber compounds are used in hoses, it is crucial that these hoses are resistant to the specific chemicals they transport to prevent degradation.

To address the challenges faced by the rubber industry, we developed KLAREX, a product specifically designed for the critical extrusion market, including applications such as weather stripping, hoses, and profiles. In hoses, KLAREX's carbon black component significantly improves resistance to chemicals and abrasion, thereby extending the lifespan of the hoses. For profiles, KLAREX helps maintain dimensional stability and mechanical strength, ensuring consistent performance over time. Additionally, KLAREX enhances the tensile strength, elasticity, and abrasion resistance of rubber compounds, making them more robust and capable of withstanding demanding applications.

Sustainable

Responsible

Environmental, Social and Governance (ESG)



At Himadri, Sustainability and Safety are foundational values that define our approach to responsible growth and future-readiness. Aligned with global goals and India's sustainability aspirations, we are committed to embedding workplace safety, environmental stewardship, inclusive development, and comprehensive governance across our operations and value chain—Together Towards Tomorrow is our collective movement to build a resilient, inclusive, and sustainable future for all.

Avijit Sasmal
Chief Sustainability Officer

Achieve

- Reduce Packaging Emission.
- Reduction of Upstream and down stream emission
- Lowering customer's carbon footprint by novel products
- Science Based off-set, pilot projects.
- Focus on adding renewable energy source
- Deployment of Sustainable Procurement Framework.
- Introduction of fuel diversification/greener tech.
- Capture and convert carbon emissions
- Recycling initiatives
- Adapt circular economy products.
- Deployment of Sustainable Procurement Framework.
- Consumption of renewable energy
- Reduce Waste Generated

Accelerate

- Elimination of virgin plastic in packaging by 100%
- Reduction of Freight emission by 50%
- Science based off- set, Broadening horizon of successful pilot projects.
- Reinforcing sustainable procurement framework to make it more effective and efficient.
- Consumption of new generations/ carbon neutral fuel.
- 100% electrification of our operations Consumption of recycled RM by 50%. Carbon removal projects
- Consumption of renewable thermal energy

Scale

Assumption: India will be regulated carbon morket with high tax imposed on conventional Fuel and PLI for clean fuel and technologies

- Scale successful science based offset projects.
- Zero Tolerance on Sustainable Procurement framework and Collaboration with value chain partners.
- Scale carbon capture and utilisation
- Scale renewable thermal energy consumption
- Scale usage of owned recycled plastics as packaging material
- Scale recycled and upcycled raw material input
- Scale usage of renewable fuels and energy for transportation

OUR AMBITION

Net Zero By 2050

VISION ZERO ACCIDENT INCIDENT

Net zero road map

	2023	2030	2040	2050
Reduction of Scope 3	20%	40%	30%	10% Offsets
Reduction of Scope 1	30%	30%	30%	
Scope 3		-20%	-60%	-90%
Scope 1		-30%	-60%	-90%
Scope 2		0%	0%	0%
	+3.3 °C to +2.8 °C	+2.8 °C to +2.4 °C	+2.4 °C to +1.5 °C	

Scope 3 Scope 1 Scope 2

Sustainability objectives 2025-26

Objectives	Measures	Target FY 2026	Target FY 2025	Result FY 2025	Main domain	UNGC -SDGs
Vison zero accident / incident	By 2025, Loss Time Injury Frequency Rate below 1(Vs 2021)	**< 1**	<1	0	People	
Energy consumption	By 2025, reduce energy intensity per metric tonne of product sold (vs 2021)	**-20%**	-10%	-17.42%	Planet	
CO2e emission Intensity (Scope-1 & scope-2)	By 2025, reduce Scope 1 and Scope 2 CO2e emission intensity per metric tonne of product sold (Vs 2021)	**-30%**	-25%	-36.08%	Planet	
CO2e emission Intensity (Scope-3)	By 2025, reduce scope 3 CO2e emission intensity per Metric tonne of product sold (Vs 2024)	**-8%***	-5%	-22.25%	Planet	
Zero Liquid Discharge (ZLD)	All plant must operate with ZLD status (Vs 2021)	**100%**	100%	100%	Planet	
Solid waste	Reduce solid waste (Hazardous and sent to landfill) per metric tonne of product sold (Vs 2021)	**<1%**	<1%	0.01%	Planet	
Recycle materials	Maintain the proportion of Non-virgin raw material from external sources used in production to avoid depletion of natural resources (Vs 2021)	**> 95%**	>95%	> 95%	Planet	
Gender diversity	Increase female representation in management team (vs 2021)	**6.5%**	5%	5.56%	People	
Compliance training	Increase percentage of Targeted staff, who completed anti bribery and corruption training (Vs 2021)	**> 95%**	>95%	99%	Governance	
Value chain partner	By 2026, conduct sustainability assessment of our value chain partners (Upstream & Downstream) covering at least 75% of group spend & Sales of FY 2025	**100%**	85%	88.1% (against 75% Spend)	Communities	
Carbon neutral product	By 2026, introduction of carbon neutral product to customers - % Variants/ % FG in MT	**0.2%**	0.1%	0.1%	Communities	
Customer decarbonisation	Introduction of customer-side carbon footprint reduction collaboration project	**1**	New Objective	New Objective	Communities	

* New objective

Balancing progress with environment stewardship

Planet Earth is our shared home. We consider environmental stewardship as an opportunity to protect natural resources, foster biodiversity and combat climate change. Through this, we can ensure that future generations can inherit a planet brimming with vitality and hope.

Climate action

Himadri is committed to reducing emissions and enhancing energy efficiency across its operations. As part of this commitment, we actively participate in leading global initiatives such as the Taskforce on Climate-related Financial Disclosures (TCFD) and the Carbon Disclosure Project (CDP), reinforcing our focus on managing climate risks and environmental stewardship. We have also aligned our climate strategy with the Science-Based Targets initiative (SBTi), setting ambitious goals grounded in the latest climate science to help limit global warming.

These targets serve as a clear roadmap for us to make measurable, meaningful progress in decarbonising our operations. **By integrating science-based targets into our sustainability framework, we not only lower our carbon footprint and improve operational efficiency but also inspire broader industry transformation through strong climate leadership.**



Air quality management

Environmental responsibility and air quality management are integral to Himadri's sustainability commitment. Staying true to the principle of reduce, reuse and recycle, we are constantly exploring and implementing innovative strategies to minimise our atmospheric footprint. To minimise the impact of cooling systems, we are optimising the use of ozone-depleting chlorofluorocarbon (CFC) and exploring energy-efficient alternatives to reduce indirect emissions. Beyond this, we have invested in advanced scrubbers across production lines, preventing the release of carbon particles, particularly during reactor shutdowns. Additionally, suction lines deployed at critical operational points, such as elevator tops, scalper screens and packing stations, capture process-generated dust. Instead of discarding these particles, we filter and reuse them back into production.

Energy Efficiency Initiatives

Himadri has undertaken multiple initiatives to optimise energy efficiency across its operations. Energy intensity has dropped by 17.42% from the base line year, FY 2022. Additionally, the same has decreased by 5.13% compared to FY 2024.

Some key initiatives such as the installation of capacitor power banks has significantly improved the power factor from 0.86 to 0.99, yielding substantial cost savings. Additionally, the integration of micro turbines has enabled the conversion of excess high-pressure steam into usable energy. As mandated by our comprehensive Energy Management framework, energy audit is to be conducted in every three years by engaging independent external third party.

Aligning with the outcome of energy audit, we have begun implementation of digital energy management system at Carbon Black Division, Mahistikry location. We have installed Smart Comm software by L&T Electrical and Automation for energy management system.

Water management

Himadri is committed to using water wisely and ensuring we leave a minimal environmental footprint. We work to reduce our freshwater consumption, recycle waste water and make sure we are doing our part to preserve resources. Studying risks, such as scarcity, flooding and quality issues, with tools like WRI Aqueduct, we can better analyse the challenges at our locations. Our goal is to reduce the amount of freshwater we use by 20% relative to production volume between 2021 and 2026.

26.19%
Reduction in water intensity per MT of goods sold

Key measures include:

Three-stage reverse osmosis (RO) treatment:

Permeated water undergoes a de-gasification process to remove excess carbon dioxide.

Recycled water usage:

With a daily capacity of 1,800 Kilo Litres (KL), recycled water is used for cooling tower makeup, process utilisation and RO feed.

Repurposed rejected water:

Rejected water, with a capacity of 130 KL is repurposed for road washing and quenching in the CBD process.

During the reporting year, we expanded our **Zero Liquid Discharge (ZLD)** capacity from **800 KL to 1,200 KL**, demonstrating our commitment to water conservation.



Waste management

Himadri's waste management strategy is guided by a hierarchical approach, focusing first on avoiding it altogether. When waste is inevitable, we recycle or utilise for energy generation. Ony when these options are not viable do we ensure that waste is disposed of in a safe and environmentally conscious manner. Recognising the growing importance of reducing plastic consumption and enhancing recycling efforts, we carefully evaluate all types of waste, including production scraps, packaging, plastics and wood pallets. Through regular consultations with internal and external stakeholders, we evaluate plausible risks and continuously refine our strategies to ensure responsible waste management across operations.



99.6%
Waste recycled

100%
Zero Liquid Discharge (ZLD) facilities

Commitment to social responsibility

Social progress begins with understanding and supporting one another. Nurturing social well-being means creating spaces where everyone feels valued, supported and empowered to succeed. It is through compassion and collaboration that we can build stronger communities where everyone has a chance to thrive.



"At Himadri, we believe in Transforming mindsets to Inspire meaningful Reform in practices—paving the way for a clear roadmap that Empowers High-Performing Teams to journey Together toward Excellence.

Kunal Mukherjee
Vice President, HR

Awarded
'Golden Peacock Award for HR Excellence 2024'
at the 19th International Conference organised by the Institute of Directors.

Human resource

Himadri's Human Resources department makes sure every Himadrian has the support and opportunities they need to grow. We work hard to create a workplace where they feel motivated, included and hopeful about their future. With this in mind, we are ready to launch initiatives that will help our team members develop their skills, digitally capable as well as build a more diverse and inclusive culture. Through tailored training and career growth opportunities, we ensure that our people and the Company achieve their goals together.

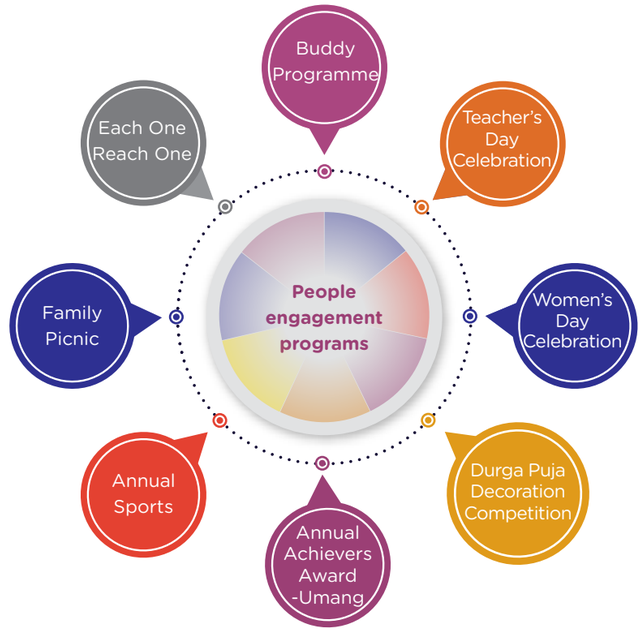


970
Himadrians



People engagement

Cutting-edge digital tools help us streamline recruitment, onboarding, performance management and people engagement. This digital transformation empowers the members of our Himadri family with easy access to personalised resources, training modules and real-time feedback, creating a more responsive and growth-oriented workplace.



Learning and development

We see growth as a continuous process, one that goes beyond just gaining experience. Rather, it is about discovering their strengths, learning new skills and exploring new opportunities. We value strong, trusting relationships between the team and leaders, where open communication and regular feedback help ensure development. Our diverse learning opportunities cater to various developmental needs, whether it is for freshers, those looking to broaden their knowledge or preparing for leadership roles.

2,000
Number of trainings conducted



Key initiatives undertaken under learning and development activities

Performance-Driven Development, where constructive feedback along with personalised training plans is provided

Providing regular skill-building sessions, goal alignment workshops and access to mentorship under Manager-led coaching programmes

Upskilling programmes such as interpersonal skills Workshops and Leadership talks for high-potential members of the team

Performance Management System (PMS) helps in aligning the individual growth with strategic business objectives

Career development

To support continuous growth and professional advancement, we offer tailored career development and training programmes aligned with both personal aspirations and organisational goals. Moving forward, we will be introducing auditor training, management development and skills-based programmes, building the expertise needed to thrive in their careers.

16

People have undergone MDP at leading business schools



People health and safety

We are committed to upholding our vision of **"Together Towards Tomorrow,"** building a safer, healthier, and more sustainable workplace. We have implemented a comprehensive safety framework that focuses on hazard identification, risk assessments, and behaviour-based safety programs to maintain a robust safety culture. Regular safety drills, emergency response simulations, and refresher training sessions are conducted to ensure our teams are well-prepared at all times.

Our vision is to achieve **'Zero Accidents/ Incidents',** and to support this goal, we continuously monitor safety performance using both leading and lagging indicators. Real-time monitoring and digital safety audits enable us to proactively identify and address potential risks. We are also investing in cutting-edge technologies, such as wearable safety devices and real-time monitoring systems, to enhance safety outcomes.

Our occupational health initiatives, including periodic medical evaluations and stress management programs, are designed to support the well-being of our people. We've expanded our ergonomics initiatives to ensure that people conditions promote both health and productivity.

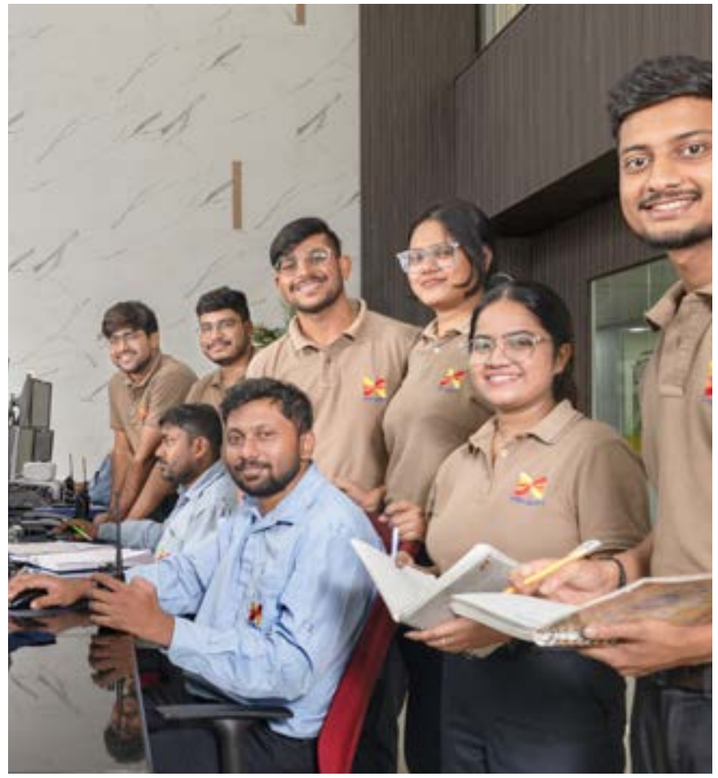
ISO 45001:2018 and SA 8000:2014 certified



Diversity and inclusion

We believe that diversity brings fresh perspectives, sparks innovation and helps us build stronger connections with our customers, while enhancing recruitment and retention. Thus, we ensure equitable compensation through regular pay audits and addressing any disparities. By 2025, all our teams will undergo DEI training, fostering an inclusive and respectful culture. Through our annual DEI surveys, biannual audits and feedback channels, we make sure that our progress is tracked and our people can share their thoughts safely and anonymously. We provide a supportive working environment for female team members, ensuring they are well-represented among our key management personnel. Additionally, we celebrate International Women's Day annually, recognising and honoring their achievements.

Achieve **25%** representation of women and underrepresented groups within the Himadri family by 2030.





Corporate Social Responsibility

We view Corporate Social Responsibility (CSR) not just as a requirement but as an opportunity to make a difference. For over thirty years, we have created meaningful and lasting impacts in communities, particularly in rural and underserved areas.

₹ 6 Crores
CSR spends

14,300+
Total beneficiaries

Recognised as
Global CSR excellence award
for the best Corporate social responsibility practices



I believe social responsibility is 'Suo Moto,' something to be done from all of your heart. At our core, we believe that talent transcends economic conditions and privilege. Recognising that not everyone has the resources to fully realise their potential, we are ensure supporting talented individuals within the communities we serve. Our mission is to nurture talent and transform lives, creating a future where everyone has the opportunity to achieve their true potential.

Anurag Choudhary
CMD & CEO

Education

At Himadri, we believe in the transformative power of education. Thus, we are committed to providing opportunities for under privileged youth to pursue their education without obstacles. Our efforts include offering scholarships, distributing books and other educational materials, development of infrastructure such as school and libraries to ensure that financial constraints and inadequate facilities do not hinder access to quality education of the under privileged youth. These upgrades promote inclusivity and create an environment conducive to learning and community engagement.



450+
No. of persons benefitted from free distribution of books, scholarship for education, development of school, library

Healthcare

We improve healthcare accessibility and outcomes through a range of preventive and curative initiatives. Through our village medical centre, we offer free Ayurveda, Naturopathic and Homeopathy Treatment services to local residents, addressing both immediate health concerns and prevention from potential ailments. The centre has become a trusted place for many, significantly reducing health disparities in the country. We have also organised eye health camps, where we have screened numerous individuals, provided glasses and facilitated surgeries that have restored vision. We prioritise early detection of chronic conditions, such as diabetes, through preventive health screenings that have reached a significant number of villagers.



~11,600
No. of persons benefitted from our Health Care Projects

Community development

We have adopted initiatives that truly enhance the wellbeing of communities especially the economically weaker sections (EWS) of the society in villages, not just by providing resources but by creating opportunities for people to connect and grow together. For instance, we have been working towards setting up of Pucca Houses, Drinking Water Facilities and Electrification works in areas. Moreover we are also working on setting up playground facilities, providing training to children, undertaking initiatives for promoting Rural Sports, setting up of Centre for Handicapped Children, etc.



~2,350

No. of persons benefitted from our Rural Development Projects

~94%

of beneficiaries from vulnerable and marginalised groups

Housing projects

Our housing projects aim to enhance communities, improve the quality of life for underprivileged populations, and contribute to inclusive and sustainable development.

A new beginning



From Mud Walls to a Concrete Home

Soumita Ghosh and her husband, Samrat Ghosh, used to live in a mud house that offered little protection from the uncertain weather and minimal access to basic comforts. With our support, they now have a concrete house that is much safer and more comfortable.

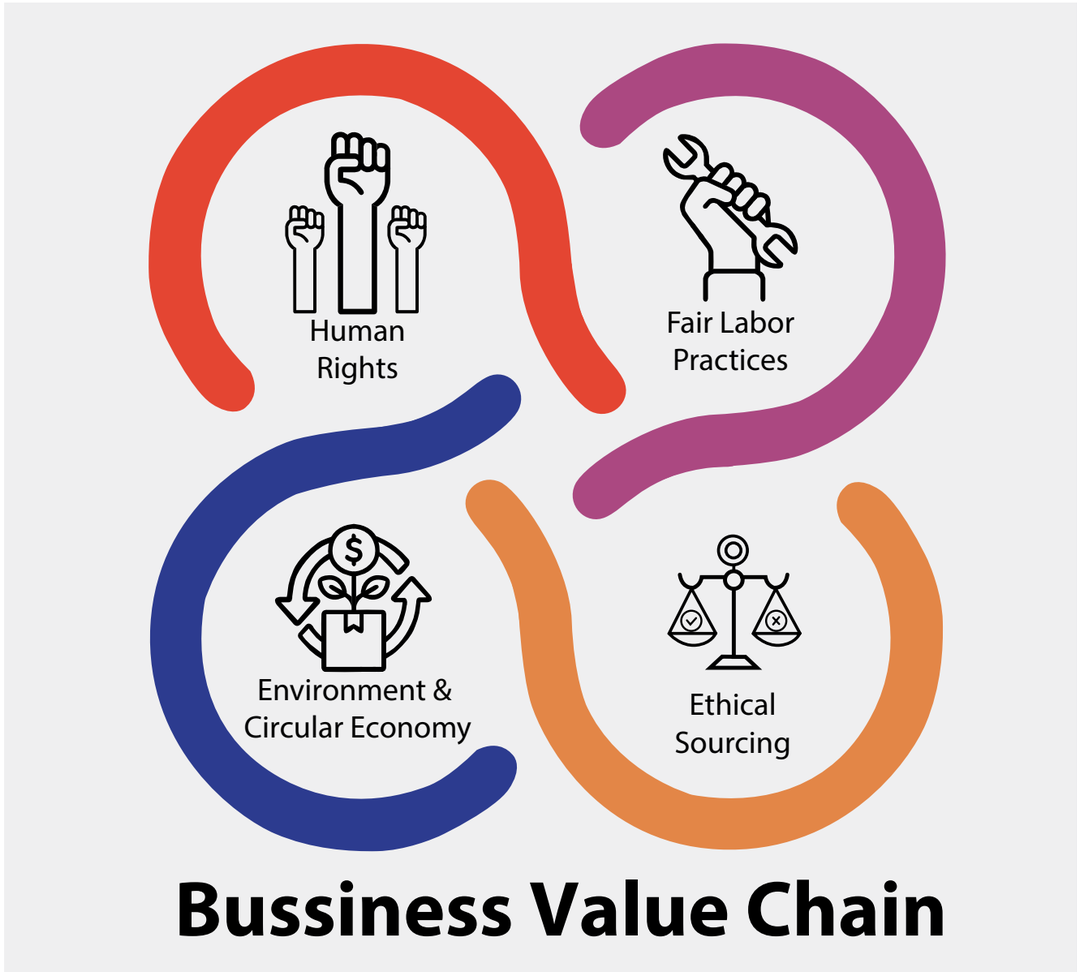
The new house has proper doors and windows, electrical lights and fans, and has been painted. This has made daily life easier and more secure for the family. This underscores Himadri's commitment towards building a stronger community.

Value chain partners

At Himadri, we recognise that our global presence brings with it a significant responsibility to influence positive change across our value chain. We are committed to promoting a collaborative ecosystem that upholds human rights, environmental standards and ethical sourcing practices. In line with our philosophy of 'Together Towards Tomorrow', we actively engage with our partners to build a more transparent, traceable and responsible value chain.

To institutionalise this approach, we have established a Value Chain Partner Engagement Task Force. This cross-functional team is focused on strengthening partnerships through capacity building, ESG training and performance assessments—particularly targeting Scope 3 emissions and responsible sourcing. Through regular evaluations and dialogue, we aim to align our suppliers with our sustainability objectives.

Our Zero Tolerance Sustainable Procurement Framework underlines our commitment to ethical procurement. As part of this, we have rolled out a structured outreach program to evaluate the sustainability readiness of our partners and encourage joint progress. Looking ahead, our goal is to complete sustainability assessments for value chain partners covering at least 75% of our group spend by 2025, benchmarked against 2021 levels.



Building on a foundation of trust

Himadri strongly believes that the spirit of Corporate Governance goes beyond the statutory form. Sound corporate governance is the key driver of sustainable corporate growth and long-term value creation for the stakeholders and the protection of their interests. We believe that responsible governance that ensures oversight, accountability and transparency, results in building trust and strengthens relationships both internally and externally.

We maintain a Board-led ESG Oversight Committee that guides the integration of sustainability into our corporate strategy and monitors performance against key ESG metrics. Our Board of Directors includes a balanced mix of executive and independent directors, with female representation, fostering diversity and robust strategic oversight.



Our robust management structures and internal controls enable us to address challenges promptly, ensuring that everyone is held accountable for their actions. By adhering to well-defined principles and maintaining rigorous policies, we create a workplace where honesty and transparency guide our day-to-day activities, allowing us to grow, adapt and leave an enduring impact.

Monika Saraswat
Company Secretary &
Compliance Officer



Governance structure



*Details of all other Board Committees other than those mentioned above are available in the Corporate Governance Report

Responsibilities of the Board of Directors

Audit Committee

Responsibilities

- Regulate and monitor the financial reporting procedure
- Ensures Himadri's adherence to relevant rules and regulations
- Review and monitor independence of the auditor, their performance and overall process effectiveness
- Approval or any subsequent modification of transactions of the company with related parties
- Evaluation of Internal financial controls and risk management systems

Environment, Social and Governance (ESG) Committee

Responsibilities

- Supports the Board in fulfilling its duties concerning Environment, Social and Governance (ESG) matters
- Reviews the ESG policies, standards and guidelines

Corporate Social Responsibility (CSR) Committee

Responsibilities

- Oversees the development of the Company's CSR Policy and Annual Action Plan,
- Approves CSR projects and activities
- Determines expenditure for CSR initiatives
- Monitors the implementation and progress of CSR initiatives regularly

Risk Management Committee

Responsibilities

- Ensures the development of a comprehensive risk management policy
- Oversees the implementation of the risk management policy
- Assesses the effectiveness of risk management systems

Nomination and Remuneration Committee

Responsibilities

- Defines the criteria to assess qualifications, positive attributes and independence of directors
- Ensures the establishment of guidelines for evaluation of the director's performance
- Creates board's diversity policy
- Identifies suitable candidates for directorship
- Performance Review and Senior Management Remuneration Recommendation to the Board

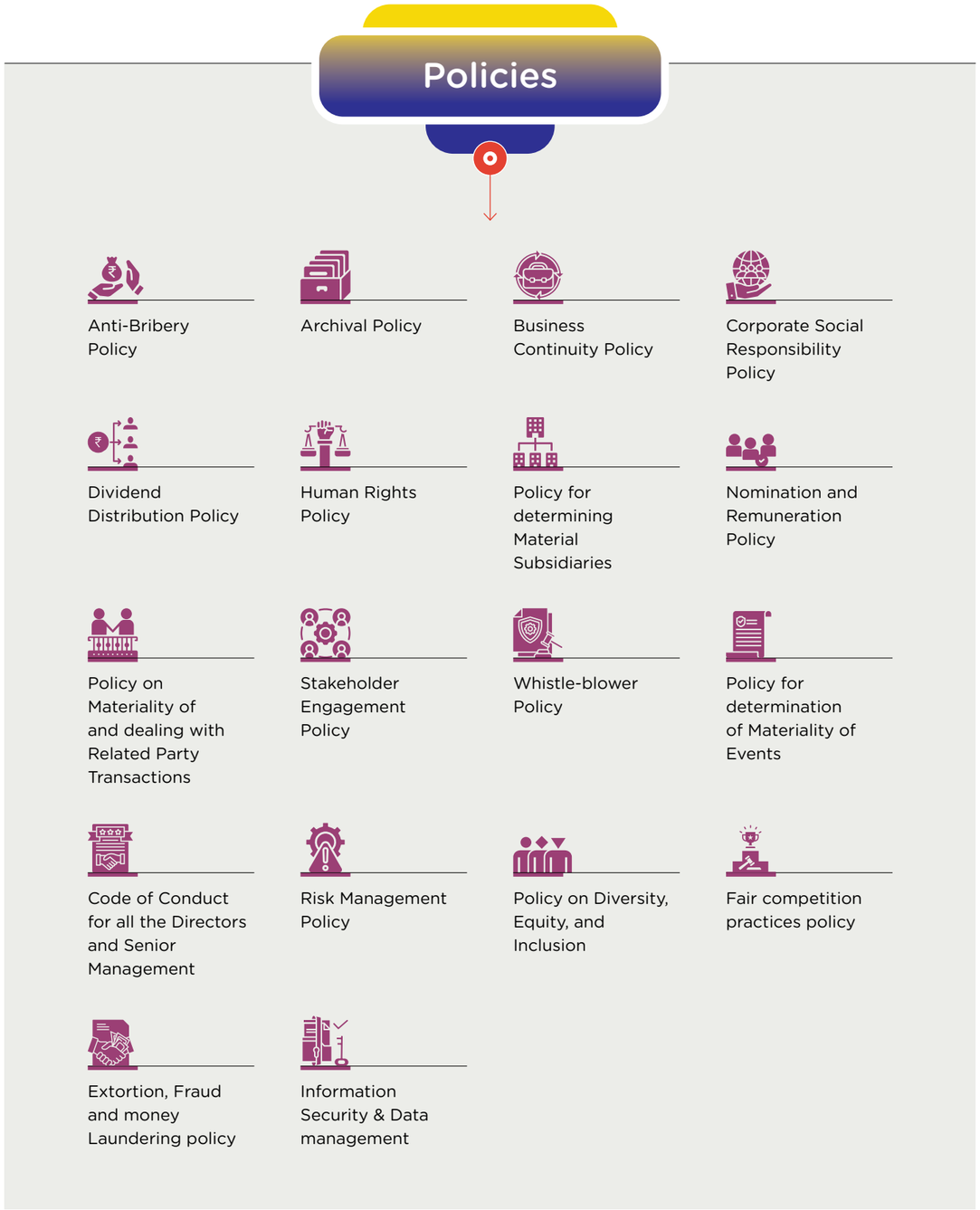
Stakeholders Relationship Committee

Responsibilities

- Addresses the concerns of Himadri's security holders
- Reviews the actions undertaken to resolve stakeholder concerns

Policies

We strive to promote sound corporate governance principles and make an informed decision-making process across the organisation. Therefore, we have adopted multiple policies that direct our operations and further ensure adherence to relevant rules and regulations.



Board metrics

Board diversity

(%)



16.67% Female

83.33% Male

Board independence

(%)

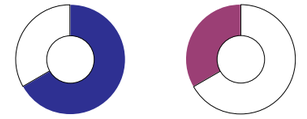


50% Independent Directors

50% Non-independent directors

Board age profile

(%)



66.67% 35-65 Years

33.33% >65 Years

Composition of Directors

Composition of directors

(nos.)



50% Executive Director

50% Non Executive Independent Director

Board committees

Our Board Committees are entrusted with specific areas of focus, enabling them to make informed decisions within their areas of responsibility. Each committee operates within a set of guidelines that are clearly defined in its charter, ensuring that their actions are always in line with the Company's vision and goals.

Board of Directors	Members	Independent
Audit Committee	3	3
Nomination and Remuneration Committee	3	3
Risk Management Committee	5	1
Corporate Social Responsibility Committee	3	1
Stakeholders Relationship Committee	3	1
Environment, Social and Governance (ESG) Committee	3	1

Board skills and expertise

Skill	Expertise
Business and Industry	— Understanding of business environment, — Experience and knowledge of the area of operation and associated businesses.
Financial Expertise	— Financial and risk management — Internal control, — Experience of complex financial reporting processes — Taxation — Capital allocation — Resource utilisation
Governance and Compliance	— Experience in developing governance practices — Serving the best interests of all stakeholders — Ensuring board and management accountability — Promoting effective stakeholder engagements — Fostering corporate ethics and values.
Critical and innovative thoughts	— The ability to critically analyse the information and develop innovative approaches and solutions to the problems. — Data-Driven and Insight-Oriented Decision Making — Challenging Assumptions and Encouraging Diverse Perspectives — Cross-Disciplinary Thinking
Strategic Expertise	— Review business strategies, including mergers and acquisitions. — Monitor Competitive Landscape and Industry Trends — Assess Strategic Risks and Opportunities — Measure and Monitor Strategic Performance
Behavioural	— Fulfilling a Director's duties and responsibilities — Upholding ethical and moral standards — Actively contributing to the well-being of the organisation.

Corporate information

CHAIRMAN CUM MANAGING DIRECTOR & CEO

Mr. Anurag Choudhary
(DIN: 00173934)

EXECUTIVE DIRECTORS

Mr. Shyam Sundar Choudhary
(DIN: 00173732)

Mr. Amit Choudhary
(DIN: 00152358)

INDEPENDENT DIRECTORS

Mr. Girish Paman Vanvari
(DIN: 07376482)

Mr. Gopal Ajay Malpani
(DIN: 02043728)

Ms. Rita Bhattacharya
(DIN: 03157199)

Mr. Amitabh Srivastava
(DIN: 09704968)

SENIOR MANAGEMENT TEAM

Mr. Kamlesh Kumar Agarwal
–Chief Financial Officer

Ms. Monika Saraswat
–Company Secretary & Compliance Officer

Dr. Soumen Chakroboarty
–President Carbon Black Division

Mr. Monojit Mukherjee
–Business President, Carbon Black Division

Mr. Somesh Satnalika
–Executive Vice President, Tyre and Strategy

Mr. Kunal Mukherjee
–Vice President, HR

BANKERS

Axis Bank Limited
Bank of Baroda
Citi Bank, N.A.
DBS Bank India Limited
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Limited
RBL Bank Limited
Standard Chartered Bank
State Bank of India
Yes Bank Limited
CTBC Bank Co. Ltd
The Hong Kong & Shanghai Banking Corporation Limited
Sumitomo Mitsui Banking Corporation

REGISTRAR & SHARE TRANSFER AGENT

M/s. S.K. Infosolutions Pvt. Ltd
D/42, Katju Nagar Colony,
Ground Floor, Near South City Mall, PO & PS – Jadavpur,
Kolkata – 700 032
Tel: (033) 033-24120027 / 033-24120029
E-mail: contact@skcinfo.com/ skcdilip@gmail.com
Website: www.skcinfo.com

CORPORATE IDENTITY NUMBER (CIN):

L27106WB1987PLC042756

REGISTERED OFFICE

Fortuna Tower
23A, Netaji Subhas Road
8th Floor, Kolkata – 700 001
Tel Fax: +91 (033) 2210 4261
E-mail: info@himadri.com
Website: www.himadri.com

CORPORATE OFFICE

8, India Exchange Place, 2nd Floor,
Kolkata – 700 001
Tel: (033) 2230 4363/ 9953
Fax: +91-033-2230-9051

STATUTORY AUDITORS

M/s Singhi & Co
Chartered Accountants
161, Sarat Bose Road
Kolkata – 700 026

SOLICITORS & ADVOCATES

M/s Aquilaw
9, Old Post Office Street, 8th Floor
Kolkata – 700 001

WORKS

Unit number 1
58 N.S. Road, Liluah, Howrah (W.B.)

Unit number 2
27B Gadadhar Bhatt Road,
Liluah, Howrah (W.B.)

Mahistikry Plant
Mahistikry, P.S. – Haripal
District Hooghly (W.B.)

Visakhapatnam Unit
Ancillary Industrial Estate
Visakhapatnam (A.P.)

Korba Unit
Jhagrah, Rajgamar Colliery
Korba (Chhattisgarh)

Sambalpur Unit
Kenghati, P.O. Jayantpur,
Sambalpur – 768112

Falta (SEZ Unit)
Falta Special Economic Zone
Sector – II, Vill – Simulberia, Falta,
Dist – 24 Pgs (South), West Bengal

China Unit
Longkou, Shandong China

Management Discussion and Analysis

Himadri Speciality Chemical Ltd

Established in 1990, Himadri Speciality Chemical Ltd ("Himadri" or "the Company") has evolved into a global speciality chemical conglomerate. With a leadership position in Coal Tar Pitch for over three decades and in Carbon Black production for over 15 years, the Company has also emerged as one of the leading players in speciality carbon blacks, speciality oils, naphthalene and sulphonated naphthalene formaldehyde (SNF). Along with its strong business excellence, Himadri's ESG strategy 'Together towards Tomorrow' also enabled the adoption of circularity, innovation, climate action and inclusive stakeholder value creation.

~4
Decades of experience

8
Manufacturing units

50+
Countries and growing

AA- (Stable)
ICRA Ratings

Management Discussion and Analysis (Contd.)

Himadri's diverse portfolio caters to critical industries such as lithium-ion batteries, paints, plastics, tyres, technical rubber goods, aluminium, graphite electrodes, agrochemicals, defence and construction chemicals. Its deep expertise in aluminium and graphite has further strengthened its presence in the battery chemicals space backed by government-recognised in-house R&D facility.

- LiB component materials
- Coal tar pitch
- Speciality carbon black
- Carbon black
- Refined naphthalene
- SNF & PCE
- Speciality oils
- Corrosion Protection
- Tyres

Himadri is advancing its forward integration strategy by leveraging its expertise in coal tar derivatives. This new initiative transforms its existing coal tar distillates into two high-value Speciality chemicals—anthraquinone and carbazole. These chemicals, with unique properties and critical applications across multiple industries, are poised to unlock new market opportunities and strengthen Himadri's leadership in high-performance materials.

Core strengths

- Global speciality chemical conglomerate
- Quality-led production
- Integrated sustainability across operations.
- Strong focus on innovation
- Pioneer in lithium-ion battery material
- Expansive global network
- Maintaining strong customer relationships
- Committed to Net Zero By 2050 under Science-based Target Initiative (SBTi) with Published roadmap.

Management Discussion and Analysis (Contd.)

Himadri Speciality Chemical Ltd has been awarded the "Company of the Year" among Listed Companies at India Chem 2024, organised by the Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, Government of India in partnership with FICCI and E&Y.

The Company has been awarded the prestigious **"Platinum Medal by EcoVadis"**. This is considered a significant development as it positions Himadri among the top 1% of over 1,30,000 companies that are globally assessed by EcoVadis.

In 2024, Himadri achieved a **B rating** from CDP for **Climate** and **Water Security**, recognising our strong environmental management. We remain committed to advancing sustainability and achieving leadership excellence.

Awarded with **[ICRA ESG]** Combined Rating 80, Exceptional by ICRA ESG Ratings Limited, marking one of the highest recognitions in India's industrial sector.

Acquisition of Birla Tyres Limited

Himadri, along with resolution applicant Dalmia Bharat Refractories Limited (DBRL), jointly acquired Birla Tyres Limited in a corporate insolvency resolution process. The acquisition cost of ₹ 306 Crores is financed through internal accruals and debt. Moreover, the expertise gained by Himadri in carbon black production will further help the Company to develop tyres for commercial and passenger vehicles under the brand of Birla Tyres.

Macroeconomic review

Global economy

In CY 2024, the global economy exhibited steady growth, expanding by 3.2% despite persistent challenges such as supply chain disruptions, geopolitical tensions in the West and inflationary pressures. Global Inflation, which stood at 6.8%[2] in CY 2023, was estimated to ease down to 5.8%[1], driven by tight monetary policies by Central Banks in major economies and an expansion in energy supply. Strong government spending, resilient household consumption, and rising labour force participation further supported economic momentum. Additionally, in 2024 the emerging markets in Asia demonstrated robust growth, fuelled by high demand across various sectors.

Looking ahead, CY 2025 presents a cautiously optimistic outlook, with global growth projected to sustain at 3.2%. As central banks shift toward expansionary policies and inflation continues to ease, emerging markets are expected to benefit from improving stability and recovery prospects. However, geopolitical tensions and structural challenges in key economies such as China remain risks. Continued government initiatives and fiscal discipline will be crucial in maintaining economic stability and fostering long-term, inclusive growth.

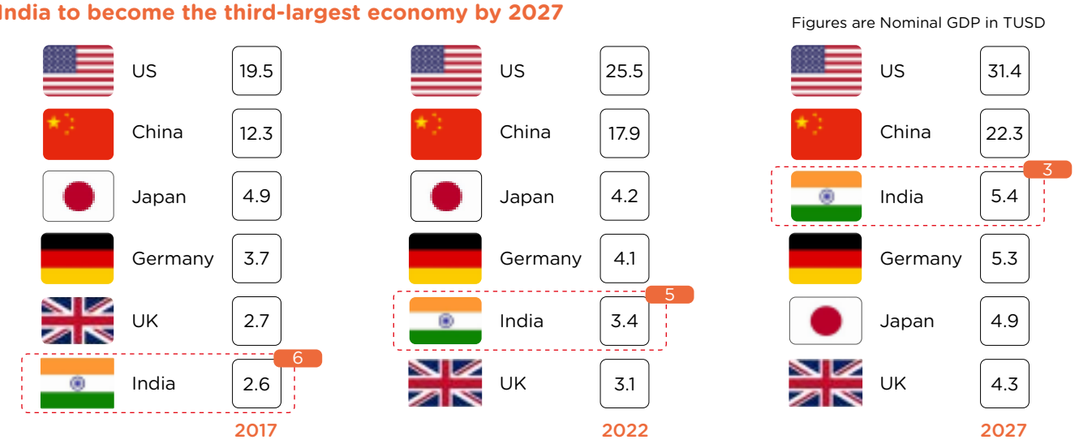


[1]World Economic Outlook Update, January 2024: Moderating Inflation and Steady Growth Open Path to Soft Landing, 30 Jan 2024

[2]World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence, 16 Apr 2024

Management Discussion and Analysis (Contd.)

India to become the third-largest economy by 2027



Source: IMF Data (October 2023) 2-Average Range: Services: 50-55%; Industry: 27-32%; Agri: 18-19%

Indian economy

The Indian economy continued its strong growth trajectory, expanding by 6.5% in FY 2025 despite global economic turbulence and geopolitical uncertainties. This resilience was driven by robust macroeconomic fundamentals, sustained domestic demand and targeted policy interventions. The government's Production Linked Incentive (PLI) scheme, with an outlay of ₹ 1.97 Lakhs Crores, bolstered domestic manufacturing and exports across 14 key sectors. Additionally, increased public capital expenditure, fiscal prudence, and a calibrated monetary policy ensured stability while supporting growth.

Inflation remained within the Reserve Bank of India's (RBI) target range, easing to 3.6%[3], aided by proactive monetary measures. A significant development was the RBI's 25-basis-point repo rate cut to 6.25% in February 2025, complemented by a CRR reduction to 4%, which improved liquidity and reduced borrowing costs. Additionally, India's merchandise exports grew by 5.8% in FY 2025, highlighting its position in global trade. The manufacturing sector, after experiencing some moderation, regained momentum, with the Index of Industrial Production (IIP) reflecting a 5% output growth in January 2025.[4]

Looking ahead, India's economic outlook remains optimistic, with GDP projected to expand by 6.5% in FY 2026. The Union Budget 2025-26 introduced tax benefits and sector-specific incentives, promoting discretionary consumption and investment. The economy is expected to benefit from continued structural reforms, infrastructure expansion and a rising private capital expenditure (CapEx) cycle.

India's push for self-reliance through 'Atmanirbhar Bharat' and '**Make in India'** presents significant growth opportunities for the Speciality chemicals industry, crucial for high-value manufacturing. The country's strategic focus on green energy, sustainability and advanced materials aligns with global trends, creating expansion prospects for companies like Himadri Speciality Chemical Ltd.

With rising demand for lithium-ion battery materials, carbon black and advanced chemical solutions in sectors such as EVs, energy storage and Speciality applications, Himadri is well-positioned to capitalise on these opportunities. The Company has planned out investments over six years to establish a 2,00,000-tonne capacity for lithium iron phosphate, a key component for lithium-ion batteries, highlight its commitment to innovation and industrial growth.

As India is set to become the fourth-largest economy by FY 2026 and the third by FY 2027, strong macroeconomic fundamentals, industrial policies and increasing focus on advanced manufacturing provide a solid foundation for sustained growth, reinforcing Himadri's leadership in the Speciality chemicals sector.

Business review

Battery Materials for Electric Vehicles (EVs) and Energy Storage Solutions (ESS)

India's commitment to achieving net-zero emissions by 2070 has driven a strategic push for electric vehicles (EVs) and energy storage solutions (ESS). To support this transition, the Government of India has introduced various policies and targeted incentives such as PLI &

[3]Reserve Bank of India Bulletin, March 2025, Volume LXXIX number 3

[4]PIB Delhi- Inflation and Economic Trends in India, 16 Mar 2025

Management Discussion and Analysis (Contd.)

PM e-Drive schemes promoting rapid growth of EV and battery manufacturing.[5] Increasing consumer adoption, coupled with advancements in infrastructure, further strengthens India's position as a hub for sustainable mobility and domestic manufacturing.

Batteries play a crucial role in this shift, driving demand for Speciality carbon black, particularly furnace black, due to its conductive properties. Essential for enhancing electrode performance, longevity and energy density, carbon black is a key component in battery manufacturing. As the EV and ESS markets expand, the need for high-quality carbon black continues to rise, fuelling growth in this segment of the Speciality chemicals industry.

Additionally, Himadri supports the India-led global movement Lifestyle for Environment (LiFE), which was launched to boost India's sustainability efforts by encouraging environmentally friendly practices. In accordance with this, Himadri is implementing circular economy practices within battery material production by integrating recovery processes and promoting resources efficiency across its value chain.

Global Li-ion battery industry

The global lithium-ion (Li-ion) battery market has experienced significant growth, reaching an estimated USD 97.88 Billion in CY 2024.[6] This surge is primarily attributed to -

EV adoption:

The automotive sector's shift towards electrification has significantly increased the demand for Li-ion batteries, which are essential for EV performance and range.

Renewable energy integration:

Li-ion batteries play an important role in storing energy from renewable sources such as solar and wind, ensuring a stable and reliable power supply.

Technological advancements:

Continuous improvements in battery technology have led to enhanced energy density, longer lifespans and reduced costs, making Li-ion batteries more accessible across various applications.

The Asia-Pacific region has been a key driver of this growth, supported by its advanced manufacturing ecosystem, technological innovations and increasing demand for energy storage solutions.

Looking ahead, the global Li-ion battery market is projected to grow at a CAGR of 14.58% from CY 2024 to CY 2029[7] , driven by

- Automakers worldwide are expanding their EV offerings to meet regulatory requirements and consumer demand for low-emission vehicles.
- The need for efficient energy storage solutions to balance power supply from intermittent renewable sources continues to rise.
- Economies of scale and technological innovations are expected to further reduce battery costs, making them more viable for a broader range of applications.

By 2030, global battery demand is anticipated to increase significantly, necessitating substantial investments in mining and battery production to meet this growing need.

India's Li-ion battery industry

India's Li-ion battery market is expected to grow rapidly, with projections indicating a shift from USD 5.78 Billion in 2025 to USD 16.09 Billion by 2030, representing a CAGR of 22.72.[8] Key drivers of this growth include -

Government initiatives:

Policies such as the removal of customs duties on lithium mineral imports have reduced input costs, encouraged domestic manufacturing and enhanced the competitiveness of Indian producers.

Technological advancements:

Improvements in battery technology and infrastructure have bolstered the efficiency and appeal of EVs, supporting India's transition to sustainable transportation.

Renewable energy integration:

The increasing shift towards renewable energy storage solutions among consumers has been a key factor in shaping the industry's growth.

[5]PIB Delhi- Revolutionising Mobility, The Make in India Auto Story, 25 Mar 2025

[6]Precedence Research- Lithium-ion Battery Market Size, Share, and Trends 2025 to 2034, Last updated- 7 May 2025

[7]GlobeNewswire- Lithium-Ion Battery Market - Global Forecasts from 2024 to 2029, 25 Sep 2024

[8]Mordor Intelligence- India Lithium-Ion Battery Market, Base Year - 2024

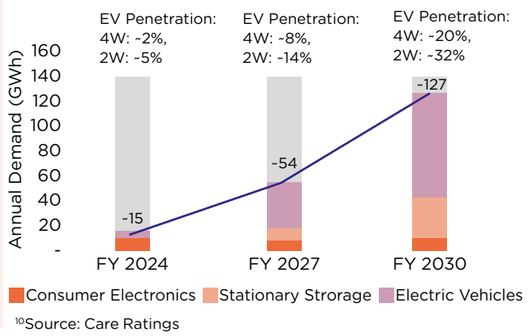
Management Discussion and Analysis (Contd.)



Battery demand in India is expected to rise to 260 GWh by 2030,[9] driven by the escalating adoption of EVs and renewable energy storage systems. By FY 2027[10], India's reliance on imported Li-ion batteries is projected to decrease by approximately 20%, promoting self-reliance and reducing dependence on fossil fuels. In the long term, India aims to become a significant exporter in the global Li-ion battery market, aligning with the government's **'Atmanirbhar Bharat'** vision.

Demand for Li-ion battery in the coming years

Annual demand for Lithium-ion battery storage expected to reach ~54 GWh by FY 2027 and ~127 GWh by FY 2030

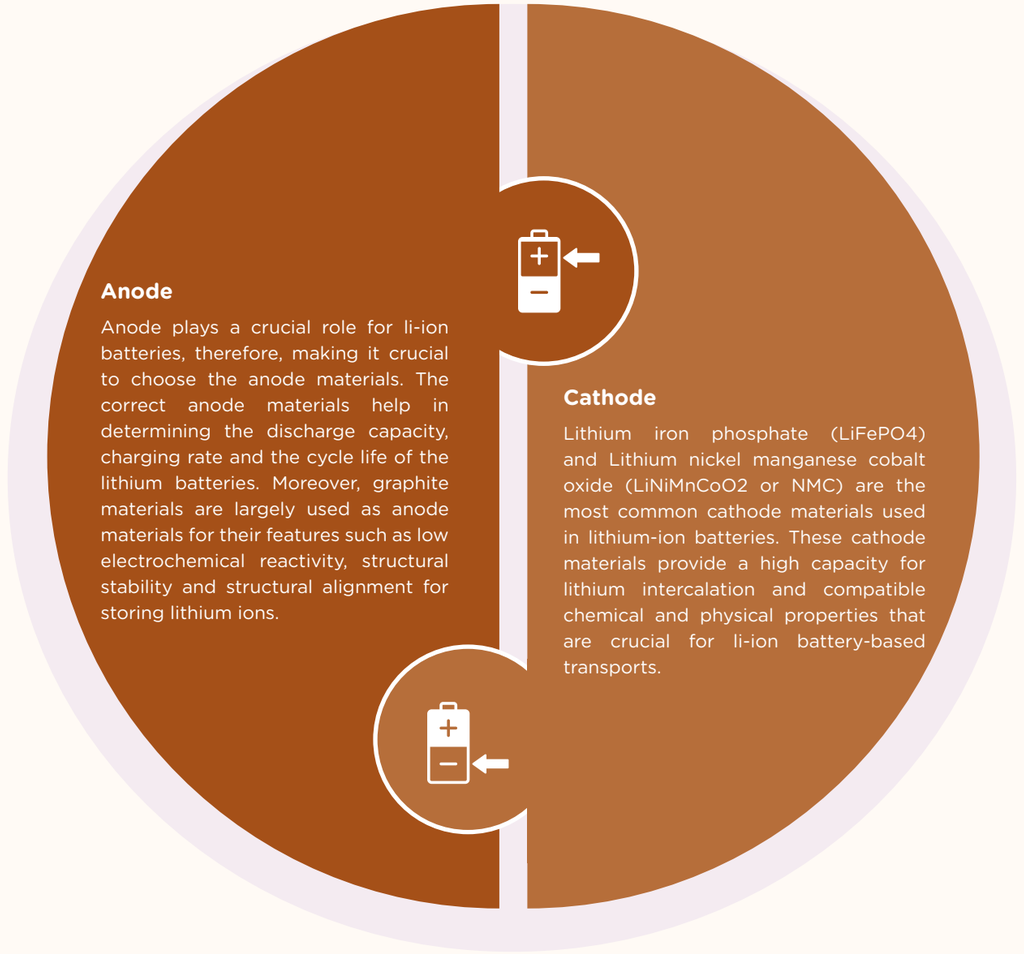


[10]Source: Care Ratings

[9]NITI Aayog- Need for Advanced Chemistry Cell Energy Storage in India, Part I of III, Feb 2022

[10]Care Edge Ratings- Lithium-ion Battery Storage: India's import dependency to decline to ~20% by FY27, 13 Nov 2024

Management Discussion and Analysis (Contd.)



All-Solid-State Battery (ASSB) for EVs

Although in its nascent stage, ASSBs have emerged as a promising solution to the limitations of the traditional Lithium-ion batteries. These advanced batteries use solid electrolyte instead of a liquid one, offering numerous benefits such as higher energy density, faster charging and enhanced safety.

Electric vehicle industry

Global Electric Vehicles (EV) industry

The global EV market experienced significant growth, attaining a market size of USD 396.4 Billion in CY 2024.[11] This expansion has been fuelled by multiple key factors, including increasing environmental awareness, advancements in battery technology and government initiatives supporting EV adoption.

Key growth drivers

- Growing concerns about carbon emissions and climate change have led to a surge in EV adoption.
- Many countries have introduced incentives such as reduced registration fees and subsidies to encourage EV purchases.
- Continuous improvements in battery efficiency, cost reduction and increased range have bolstered the industry.
- The rise in fuel prices during CY 2024 has further accelerated the shift toward electric mobility.
- The rapid expansion of charging infrastructure and urban mobility solutions has facilitated the industry's growth.

[11]MarketsandMarkets™- Electric Vehicle Market Size, Share & Analysis, Aug 2024

Management Discussion and Analysis (Contd.)

In the reporting year, the passenger car segment remained dominant, driven by widespread adoption. By 2025, the number of EVs on the road globally is projected to reach 85 Million, with Battery Electric Vehicles (BEVs) comprising 73%, marking a 35% increase from 2024. Additionally, Plug-in Hybrid Electric Vehicles (PHEVs) are expected to reach 23 Million by 2025.[12]

Looking ahead, the global EV market is projected to expand further, reaching USD 951.9 Billion by CY 2030.[13] A perceptible shift toward smaller, more affordable EVs is also making electric mobility accessible to a broader range of consumers.

With the increasing adoption of EVs in the Middle East and Africa,[14] these regions are expected to contribute significantly to global market growth in the coming years. Furthermore, governments worldwide are actively investing in EV charging infrastructure, with the number of global public charging points expected to increase sixfold to 25 Million by 2035.[15] These efforts are set to play a crucial role in shaping the future of the EV industry.

Indian Electric Vehicles (EV) industry

India's domestic EV industry experienced substantial growth in the reporting year, driven by rising demand for fuel-efficient, high-performance, and low-emission vehicles. Increasing awareness of clean transportation solutions, coupled with proactive government policies, has significantly influenced consumer preferences and accelerated EV adoption. Additionally, key industry players have responded to market demand by introducing technologically advanced and cost-effective EV models, further propelling industry expansion in FY 2025.

During the reporting year -

- EV registrations in India reached 5.67 Million[16] cumulatively, with the passenger EV segment expected to capture a 6% market share.
- EV sales surged by 26.5% year-on-year, reaching 1.94 Million units in CY 2024.[17]
- Plug-in Hybrid Electric Vehicles (PHEVs) are witnessing steady growth and are projected to jump by 23.8% in FY 2025.[18]
- Over 50% of three-wheelers, approximately 5% of two-wheelers, and 2% of passenger cars sold/ to be sold were estimated to be electric.[19]
- India witnessed a significant expansion, surpassing 25,000 public EV charging stations in the 2024.[20]



[12]Gartner- Gartner Forecasts 85 Million Electric Vehicles Will Be on the Road by End of 2025, 14 Oct 2024
[13]GlobeNewswire- Electric Vehicle Market worth USD 951.9 Billion by 2030 – Exclusive Report by MarketsandMarkets™, 2 Apr 2024
[14]Bain & Company- Is the Middle East Ready to Shift Gears to Electric Vehicles?
[15]IEA- Global EV Outlook 2024
[16]Newsbase- India's total electric vehicle registrations reach 5.67mn, 12 Feb 2025
[17]Servotec- Key Developments that Shaped India's Electric Vehicle Industry in 2024, 2 Jan 2025
[18]ET Energyworld.com- Plug in hybrid electric vehicles to drive global EV growth in 2025, 15 Jan 2025
[19]The Economic Times- World EV Day: Over 50% of 3-wheelers, about 5% of 2-wheelers, and 2% of cars bought in 2024 are EVs, 9 Sep 2024
[20]Electronics for you Business- India Surpasses 25,000 EV Charging Stations Nationwide, 24 Dec 2024

Management Discussion and Analysis (Contd.)

India's EV industry is on track to sustain its strong growth trajectory, positioning the country as the third-largest automobile industry globally by 2030.[21] Supporting this growth, the Indian Government has introduced favourable policies, such as reducing customs duties to 15% for international EV manufacturers that establish manufacturing facilities in India. This strategic move strengthens India's position as a global EV manufacturing hub.[22]

India aims to increase the share of EV sales to 30% by 2030, a goal that aligns with the government's broader strategy to accelerate the growth of the domestic EV industry in support of the nation's net-zero target by 2070.[23]

Key government initiatives supporting EV growth

Union Budget 2025-26

Announced incentives for EVs and batteries, including tax exemptions, tax relief, and funding for EV charging stations.

PM e-drive Scheme

Aims to promote electric passenger cars in India and enhance the EV ecosystem.

PM e-Bus Sewa scheme

- Supports the deployment of over 38,000 electric buses.
- Includes a Payment Security Mechanism (PSM) to protect e-bus operators from financial defaults by Public Transport Authorities (PTAs).
- Outlay increased from ₹ 500 Crores in FY 2025 to ₹ 1,310 Crores in FY 2026.

PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) scheme

₹ 10,900 Crores initiative focused on promoting EV adoption and expanding public charging infrastructure.

₹ 4,000 Crores has been allocated to the newly introduced PM Electric Drive Revolution In Innovative Vehicle Enhancement (PM E-DRIVE) Scheme.[24]

Scheme for Promotion of Manufacturing of Electric Passenger Cars in India (SMEC)

- Launched in March 2024 to boost domestic EV manufacturing.
- Requires a minimum investment of ₹ 4,150 Crores with phased domestic value addition targets.
- Funding doubled in FY 2026 to ₹ 12 Crores from ₹ 6.16 Crores in FY 2025.

Electric Mobility Promotion Scheme 2024

₹ 500 Crores scheme offering subsidies for EVs with advanced batteries.

Through these targeted initiatives, India is promoting a robust and self-sufficient EV ecosystem, ensuring long-term sustainability and accelerating the nation's transition towards green mobility.

[21]Fortune Business Insights- India Electric Vehicle (EV) Market Size, Share & Industry Analysis, Last updated: 28 Apr 2025
[22]PIB Delhi- Government approves E-Vehicle policy to Promote India as a Manufacturing Destination for e-vehicles, 15 Mar 2024
[23]PIB Delhi- NITI Aayog convenes India's Electric Mobility Enablers under G20 Presidency, 20 Jul 2023
[24]Money Control News- No fund allocation for FAME scheme, budget 2025 boosts PM E-Drive with Rs 4,000 crore, 1 Feb 2025

Management Discussion and Analysis (Contd.)

Carbon Black

Carbon black, a fine black powder produced by the incomplete combustion of carbon-based compounds, serves as a crucial material across diverse industries due to its unique properties such as reinforcement, conductivity, colouring and rheology control. These attributes make it invaluable in a wide range of applications, including tyres, rubber compounds, plastics, coatings, printing inks, batteries, electronics and synthetic fibres. In 2024, the global carbon black industry was estimated to be close to 14.4 Million tonnes (Oct 2024- Notch Consulting, Inc.), with the automotive sector being the primary growth driver, followed by significant contributions from textiles, packaging, construction, and infrastructure industries.



The Asia Pacific region has dominated the global market in 2024.[25] This dominance is primarily attributed to the rapid industrial growth in countries like China and India, where vehicle production, infrastructure development and construction projects are on the rise. As a result, carbon black consumption in the region has seen steady growth, further propelled by the increasing usage in industrial applications such as coatings and plastics.

By 2030, the global demand for carbon black is estimated to reach about 17.11 Million tonnes by 2030, at a CAGR of about 2.9 % (October 2024- Notch Consulting, Inc.), driven by expanding demand for carbon black in plastic production. The Indian carbon black industry, in particular, is expected to grow at a Compounded Annual Growth Rate (CAGR) of 3.17% from 2025 to 2032, positioning India as a potential global leader in carbon black manufacturing.[26]

Himadri is one of the leading global players in high-quality speciality carbon black. It offers a diverse portfolio that includes ASTM grades and Speciality blacks for advanced applications. Its flagship products—VIRTEX for high-performance tyres, KLAREX for specialised rubber goods, and JETEX, ONYX, ELECTRA, COLORX and BARONX for plastics, coatings, inks and conductive applications—cater to diverse industry needs. Himadri ensures seamless global supply with a robust distribution network, local warehouses and sales offices. Further to this, the Company implemented Zero Liquid Discharge (ZLD) across its carbon black facilities. Additionally, it is progressing towards energy digitisation through smart energy monitoring systems such as Smart Comm.



We are committed to meeting the rising global demand for speciality carbon blacks through our strategic brownfield expansion, enhancing our capacity and capabilities.

Monojit Mukherjee
Business President, Carbon Black Division

Speciality Carbon Black

Speciality carbon black is a highly engineered material that offers enhanced aesthetics, superior UV stability, improved conductivity and ease of processing with fewer defects. Representing approximately 10% of the global carbon black market, it is tailored for specific industry applications, significantly boosting the performance of end-products.

In 2024, the global demand for speciality blacks was near about 1.44 Million tonnes (Source- Notch, Company Analysis), driven by growing demand in sectors such as tyres, plastics, rubber and high-performance coatings. The increased use of Speciality carbon black in plastics and coatings further fuelled this growth. The Indian market mirrored this global trend, with positive growth in FY 2025, led by demand from plastics, automotive and ink manufacturing industries.

The market is set for continued expansion, with the global demand for Speciality carbon black to be close to 1.85 Million tonnes, at a CAGR of 4.78% by 2030 (Notch, Company Analysis). This growth will be driven by trends such as the demand for customised carbon black grades and the increasing need for performance-enhancing carbon blacks in industries like automotive, energy and electronics. The shift to electric vehicles (EVs) is expected to boost demand for Speciality carbon blacks in EV tyres and lithium-ion batteries.

In India, the Speciality carbon black industry is projected to grow, supported by sustained demand across multiple sectors.

[25]Flowcarbon- Carbon Black: A strategic View on an Essential Industrial Material, 28 Apr 2025

[26]Notch Report: Carbon Black, World Data Book 2024, October 2024- Notch Consulting, Inc.

Management Discussion and Analysis (Contd.)

Volume by segment – Global demand from 2024-2030(in KMT)



Source: Notch Report: Carbon Black, World Data Book 2024, October 2024- Notch Consulting, Inc.

Management Discussion and Analysis (Contd.)

Key growth drivers for the Speciality carbon black industry include

EV Adoption:

The rise of EV is increasing demand for Speciality carbon black in lithium-ion batteries and EV tyres.

Infrastructure investment

Growing investments in power cables, EV charging stations and renewable energy projects are boosting the need for Speciality carbon black.

Water system upgrades

The replacement of aging water infrastructure is driving demand for black HDPE pipes, where Speciality carbon black improves strength, UV stability and longevity.

Packaging growth

The expanding packaging industry is fuelling demand for high-quality inks, with Speciality carbon black providing superior colour and performance in packaging applications.

Himadri is making significant investments in its rubber, plastics and coatings laboratories to enhance performance across key areas such as dispersion ease, reduced filter pressure values and improved conductivity at lower loadings. This strategic initiative is part of its broader expansion plan, which includes the addition of 70,000 metric tons per annum of Speciality carbon black by Q3 FY 2026. This expansion will further strengthen Himadri's market position and drive growth in these industries.

Allied industry

Tyre industry

The global tyre industry has experienced steady growth, driven by rising vehicle sales, particularly in emerging economies like China, and the increasing adoption of electric vehicles (EVs). In 2024, the global tyre market size was estimated to be 1.85 Billion units, as per Notch data, growing to an estimated 2.19 Billion units by 2030 reflecting a CAGR of 2.86%. This expansion is influenced by several key trends:

- Rising EV penetration: The growth of electric vehicles will drive demand for tyres that reduce rolling resistance, enhance durability and manage higher torque, all of which rely on Speciality carbon black for performance.
- Sustainability goals: The tyre industry is moving toward more sustainable materials and production processes, with carbon black playing a central role. The push for eco-friendly tyres has accelerated, particularly in India, where the government supports sustainable manufacturing.
- Advancements in autonomous vehicles: The rise of autonomous vehicle technologies will require tyres with new specifications, opening further opportunities for Speciality carbon black.

India is emerging as a significant player in the global tyre market, particularly for North America and Europe. The country's tyre industry is expected to grow 4-6% annually, driven by strong domestic demand, including for EV tyres.[27] Government initiatives, such as countervailing duties on Chinese tyres, further support India's competitive position. With the Indian automobile industry contributing significantly to the nation's GDP, the growth of the tyre sector will continue to stimulate demand for high-quality, sustainable Speciality carbon black.



[27] ICRA- Press Release, Domestic tyre volume to grow by 4-6% for FY2025: ICRA, 9 May 2024

Management Discussion and Analysis (Contd.)



Himadri is making significant investments in the tyre industry, focusing on improving wear performance. The Company's innovations are centered around high surface area carbon blacks, particularly the VIRTEX brand, which is engineered to enhance wear resistance and improve chip and cut performance. These innovations are especially critical for the EV tyre market, where the high torque of electric vehicle drivetrains demands tyres with superior durability.

Global Carbon Black demand by application

73.9% Tyre

18.9% Non-tyre

7.7% Non-tyre Rubber

14,413KMT Overall Global Demand

Source – Notch Report: Carbon Black, World Data Book 2024, October 2024- Notch Consulting, Inc.

Plastics, ink and coatings

Plastics is the largest application for speciality carbon black in non-rubber applications. In plastics, it is used in electrostatic dissipative (ESD) applications, agricultural films, plastic pressure pipes, moulded parts, food contact packaging, automotive, and consumer goods, as well as wires and cables. Its versatile properties enhance the aesthetics of plastic products but also extend the performance life. After plastics, inks is the next largest market but, outside of packaging inks and inkjet, is a relatively slow growth market. The coatings industry is considered one of the most diversified markets for carbon blacks and leverages specialised grades of carbon black to achieve deep black pigmentation and exceptional UV stability.

The global plastic ink and coatings industry exhibited strong performance in CY 2024 and it is expected to rise at a CAGR of 3.17% from 2024 to 2030. Whereas the, plastic industry is anticipated to grow at a CAGR of 4.3% during the same time frame[28]. The Asia Pacific region is expected to be the region contributing significantly to the growth of the global industry in the coming years.

[28] Notch Report: Carbon Black, World Data Book 2024, October 2024- Notch Consulting, Inc.

Management Discussion and Analysis (Contd.)

In India, the coating industry serves a wide range of applications across key sectors, including automotive, wood, industrial, packaging and transportation. The domestic coating industry is categorised based on technology, resin type and end-user industry. The expansion of the automotive sector is expected to be a primary factor propelling the growth of the coating industry in India, supported by increasing demand for high-performance and sustainable coating solutions.

Mechanical rubber goods

The carbon black plays a crucial role in Mechanical Rubber Goods (MRG) by optimising performance through its reinforcing properties. MRG constitute a significant segment of the market, accounting for an estimated 19% of overall demand. The global mechanical rubber industry remained a significant contributor to the growth of the global industrial rubber industry by holding 35.8% of the market share. The performance and durability of the mechanical rubbers are enhanced by advancements in the rubber compound. Further, it is anticipated that this will help the mechanical rubber goods to maintain its dominance in the industry in the coming years.

Over the years, mechanical rubber goods have emerged as a significant segment within the Indian market. The expansion of this sector has been primarily driven by the steady growth of the automotive industry in India. In the coming years, the mechanical rubber goods industry is expected to benefit from the increasing demand for industrial rubber, which will further contribute to its development. Additionally, the Indian Government's strategic initiatives aimed at transforming and strengthening the domestic manufacturing sector are anticipated to play a crucial role in promoting the growth of the mechanical rubber industry in the foreseeable future.

Batteries

Batteries represent the fastest-growing market for Speciality carbon blacks. While acetylene blacks continue to dominate demand, furnace blacks are experiencing a higher growth rate due to their increasing adoption in lithium-ion batteries. These furnace blacks are being used to enhance battery performance, including improving charge/discharge rates, longevity and energy density.

Carbon blacks for batteries are highly specialised, requiring not only high purity but also specific morphology to ensure optimal dispersion while maintaining excellent conductive performance. The market for these materials is expected to grow at an unprecedented CAGR of over 15% from 2024 to 2030. Himadri is making significant investments to develop India's lithium-ion battery market, with support from its new ENERGEX Series Speciality carbon blacks.[29]

Coal Tar Pitch

Coal Tar Pitch (CTP) is a highly specialised chemical derived from distilling coal tar, playing a key role in various industrial sectors. It is primarily used in aluminium smelting, graphite electrode manufacturing, surface coatings and other chemical industries. One of its most important functions is as a binder in the production of anodes, where it effectively interacts with coke particles during the mixing phase, making it indispensable in the aluminium production process. This interaction directly influences both the quality and cost-effectiveness of the aluminium manufacturing process.

The global coal tar pitch market has experienced consistent growth, rising from USD 4.5 Billion in CY 2023 to USD 4.74 Billion in CY 2024[30]. This growth is strongly tied to the expansion of the aluminium industry, where CTP is a crucial raw material. Additionally, the increasing demand for electric vehicles, driven by advancements in renewable energy and the growing need for lithium-ion batteries, has significantly boosted CTP consumption. As CTP is a key ingredient in the production of anode materials for these batteries, its demand is closely linked to the growth of clean energy technologies.

In India, which is a major producer of aluminium, the need for CTP is especially high. The chemical impacts both the cost and quality of aluminium production processes, making it a critical material in the country's aluminium industry. Beyond aluminium, CTP is used to impregnate graphite electrodes for electric arc furnaces (EAFs) in steel production, as well as in high-tech applications like carbon fibre production and lithium-ion battery anodes.

India's economic growth and rapid urbanisation are further fuelling the demand for coal tar pitch. The country's expanding infrastructure, construction activities, and industrial sectors all rely on CTP for various applications, contributing to the overall growth of the industry.

Himadri is one of the leaders in the coal tar pitch industry for over three decades and is known for its high-quality products. Its success is driven by its commitment to cost optimisation, energy efficiency and sustainable practices, which enhance product yield, reduce conversion costs and lower energy consumption.

With advanced technology and a focus on innovation, Himadri provides long-term cost advantages and reliable, competitive coal tar pitch solutions across industries. Its focus on sustainability and efficiency ensures it remains a leading provider in the global market, supporting the production of aluminium, steel and other essential materials.

[29]Notch Report: Carbon Black, World Data Book 2024, October 2024- Notch Consulting, Inc.

[30]Skyquest- Coal Tar Pitch Market Size, Share, and Growth Analysis, November 2024

Management Discussion and Analysis (Contd.)



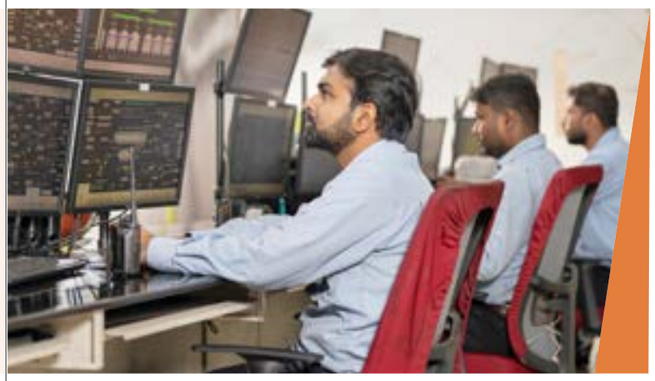
Our business is poised for accelerated growth across market segments and geographies. By leveraging a combination of new products like Anthraquinone and Carbazole, our entry into the consumer segment with a branded offering of naphthalene balls and catering to the lucrative Global Liquid pitch market, we are working towards our aim of becoming a leading player in these segments within the next 2-3 years.

Soumyodeep Bhattacharya
Executive Vice President- CTD

Allied industries

Aluminium industry

Aluminium is a recyclable environment-friendly metal having a host of applications in a number of diverse sectors - power, transportation, building, construction, packaging and many more. Increasing application, growing environmental concerns & move towards greater use of recyclable materials are driving growth in the world aluminium market. The global aluminium industry attained a market value of USD 249.83 Billion in CY 2024[31]. Aluminium is increasingly favoured for its ability to enhance fuel efficiency while reducing emissions, making it a critical material in various industries. As the metal is recyclable, the growing environmental concerns across the globe are driving the demand for aluminium.

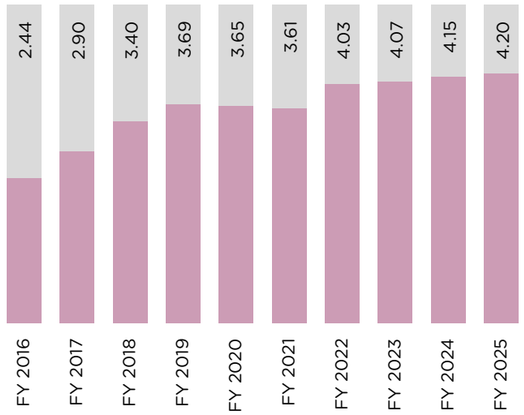


Additionally, growth in infrastructure and automotive sectors have also propelled the global industry's growth. Among these, the automotive sector remained the primary growth driver in the global aluminium industry throughout the reporting year. Global aluminium demand will increase by almost 40% by 2030, according to a recent report conducted by business intelligence analysts CRU International on behalf of the International Aluminium Institute (IAI).[32] This growth is further supported by advancements in recycling practices and an increased emphasis on sustainability, which have positively influenced the global market.

In addition to this, India is the second largest aluminium producer in the world. The significant economic growth along with increased demand for automobiles and infrastructure have contributed in the growth of the aluminium industry in India. Policies and programmes introduced by the Indian Government such as Make in India, Housing for All, Smart Cities, National infrastructure pipeline, FAME (Faster adoption of manufacturing of Hybrid and EV) schemes for electric vehicles, increase in FDI have also fuelled the consumption level for aluminium in India.

Additionally, the recent tax structure introduced in Budget 2025-26 is anticipated to boost the consumption level of various commodities including automobiles. Such development in the industry is expected to support the increase in demand for aluminium in the coming years. Moreover, in terms of its value, the Indian aluminium industry is projected to expand at a CAGR of 6.27% from 2024 to 2030.[33] The industry's growth is expected to be driven by rising infrastructural development and rapid urbanisation, which will increase demand across multiple sectors. Additionally, the domestic automotive industry is anticipated to play a crucial role in sustaining this upward trend, contributing significantly to the expansion of aluminium production and consumption in India.

Aluminium production (Million tonnes)



CARE Ratings, Ministry of Mines, DGCIS, News Articles

[31]Fortune Business Insights- Aluminium Market Size, Share & Industry Analysis, Last Updated: 28 April, 2025
[32]World Economic Forum- Aluminium demand will rise 40% by 2030. Here's how to make it sustainable, 28 Nov 2023
[33]AI Circle- Rise in India's aluminium production, a ripple effect of wider mineral market uptick, 31 Mar 2025

Management Discussion and Analysis (Contd.)

Graphite Industry

The global graphite industry attained a market size of USD 7.97 Billion in CY 2024.[34] Graphite's exceptional properties, including high thermal and electrical conductivity as well as resistance to heat and chemicals, make it a crucial material for a wide range of industrial applications. Graphite plays a significant role in the steel moulding applications that involve different forms of alumina-graphite used in continuous casting ware such as nozzles and troughs. Additionally, it serves as a fundamental component in lithium-ion batteries and is also essential for manufacturing brake linings and clutch facings in the automotive sector.

The increasing adoption of green technologies primarily drove the growth of the global graphite industry in the reporting year. Additionally, ongoing expansion efforts within the sector are expected to create significant growth opportunities in the coming years. The global graphite market is projected to grow at a CAGR of 6.82% from CY 2024 to 2034, reaching an estimated market valuation of USD 15.42 Billion by CY 2034.[34]

India remained one of the fastest-growing Asian markets for graphite in FY 2025, and the domestic industry is expected to grow at a CAGR of ~9% from 2024 to 2030. In India, graphite is widely utilised across a range of industries, particularly in the battery manufacturing sector. Natural graphite emerged as the most lucrative and fastest-growing segment in the Indian market during FY 2025.[35]

Factors driving the growth of graphite sector

- Strong growth in the global EV and energy storage system
- Growing number of lithium-ion battery manufacturers
- Increased awareness for a cleaner and sustainable environment
- Demand for graphite is expected to rise due to increased steel production

New value-added products

Himadri's ₹ 120 Crores investment in a cutting-edge facility for extracting high-value Speciality products—Anthraquinone and Carbazole from coal tar distillates is set to transform the Company's product portfolio.

This strategic move will reduce India's reliance on chemical imports and open up new markets both domestically and internationally. By forward-integrating coal tar distillates, Himadri strengthens its competitive edge, leveraging its established customer base in dyes and pigments to drive significant growth and profitability.

Anthraquinone

Anthraquinone is a versatile chemical that is applied across various industries including dyes, paper, and hydrogen peroxide. It is also used as a catalyst in the production of hydrogen peroxide. Further, by foraying into the Anthraquinone industry Himadri will not only diversify its presence but it will also position it as a reliable supplier of Anthraquinone.

Carbazole

Carbazole is a high-value chemical extracted from anthracene oil and it is heavily used in industries such as pharmaceuticals, agrochemicals, and organic electronics. Further to this, it is a key component in the development of organic light-emitting diodes (OLEDs), which are used in modern display technologies. Himadri is anticipated to strengthen its position in the carbazole industry through innovation.

Speciality Chemicals

Speciality chemicals, or performance chemicals, are highly engineered products designed to deliver specific benefits to end products. These chemicals are used across diverse industries, ranging from pharmaceuticals and chemicals to personal care, oil & gas and pulp & paper. Whether in complex formulations or as single input units, Speciality chemicals are integral to the manufacturing process, contributing significantly to both industrial and consumer products.



[34]Polaris Market Research- Graphite Market Share, Size, Trends, Industry Analysis Report, June 2024

[35]Horizon Grand View Research- India Graphite Market Size & Outlook, 2024-2030

Management Discussion and Analysis (Contd.)

In 2024, the global Speciality chemicals industry experienced steady growth, reaching a market size of USD 769.75 Billion.This growth was driven by factors such as strong business performance, increased consumer demand, changing lifestyles and globalisation. Notably, the escalating demand for these chemicals in sectors like oil and gas and personal care has been a significant growth catalyst. Investments in research and development (R&D) and innovation by major players have further fuelled the industry's expansion. The global Speciality chemicals market is expected to grow at a CAGR of 5.42% from 2024 to 2029, supported by the adoption of smart manufacturing, Industry 4.0 technologies, and a shift toward eco-friendly solutions. Additionally, the rising demand for high-performance coatings will continue to drive market growth.[36]

India is emerging as a key destination for Speciality chemical manufacturing, driven by competitive production costs, stringent quality standards, and a diverse industry catering to niche sectors such as pharmaceuticals, agriculture, and personal care. The country is also focusing on decarbonisation, infrastructure development and the integration of advanced digital technologies, which will further boost the growth of its Speciality chemical industry. Government incentives and supportive policies are expected to promote R&D and innovation, positioning India to meet the global demand for Speciality chemicals, especially amid geopolitical uncertainties.

Himadri Speciality Chemical stands as a prominent player in this expanding market. With a growing product portfolio, Himadri has solidified its position as a leading producer of Speciality chemicals, playing a crucial role in both the Indian and global markets.

Key trends

- The growing environmental concerns and push towards circular economy is set to augment the demand for eco-conscious speciality chemicals.
- Positive transformation of the manufacturing process in Speciality chemical industry through integration of digital tools such as IoT and data analytics.
- Speciality chemical providing tailored solutions to cater to the diverse needs of various industries such as automotive, healthcare and electronics.
- The use of Nanotechnology in designing and developing advanced materials with novel molecular structures, have proved to be a game changer for the Speciality chemical industry.

[36]The Business Research Company- Specialty Chemicals Global Market Report- By Product Type, By Source, By End-Use- Market Size, Trends, and Global Forecast 2025-2034

Management Discussion and Analysis (Contd.)

Refined Naphthalene

Refined naphthalene, a volatile, fragrant, white crystalline substance, is primarily produced through the distillation of coal tar or petroleum fractions. It is an essential industrial intermediate used in the production of phthalic anhydride, which is crucial for manufacturing plastics, dyes, resins and plasticisers. Naphthalene also plays a key role in producing insecticides, low-volatile solvents, naphthalene sulfonates, and moth repellents. Widely used in the textile, pharmaceutical, agriculture and construction industries, naphthalene is particularly important in the production of plasticisers and construction chemicals. Its domestic use, primarily as mothballs for pest control, further highlights its versatility, while the growing demand in various sectors is expected to drive market growth, particularly in India's textile industry.

The global market for refined naphthalene is experiencing steady growth, with demand expected to continue increasing in the coming years. The market size is projected to reach USD 2 Billion by 2030, with a CAGR of 3.4% from 2024 to 2030.[37] Asia Pacific, especially India, is expected to be a significant driver of this growth due to rising demand across industries. The Indian naphthalene market, in particular, is set to witness substantial growth, potentially reaching USD 232 Million by 2030, driven by the expanding need for high-quality naphthalene derivatives in domestic industries.[38]

Himadri, as one of the leading players in the refined naphthalene space, is recognised for its quality and innovation. The Company utilises advanced multi-stage distillation units to produce high-grade naphthalene products, ensuring stringent quality control and excellence in manufacturing. Himadri's consistent investment in cutting-edge technology and its deep industry expertise have earned it a strong reputation for delivering premium naphthalene-based compounds.

(Read more on page 49)

Sulphonated Naphthalene Formaldehyde (SNF) and Polycarboxylate Ether (PCE)

Sulphonated Naphthalene Formaldehyde (SNF) and Polycarboxylate Ether (PCE) are advanced chemical admixtures widely used in the construction industry to enhance concrete performance. SNF, a high-range water-reducing admixture, significantly improves workability, strength and durability by reducing the water-to-cement ratio without compromising mixture consistency. This makes it ideal for large-scale infrastructure projects, high-rise buildings and heavy-duty construction requiring high compressive strength. In contrast, PCE offers superior dispersion and flowability, enhancing workability, reducing water consumption and improving the durability and long-term performance of hardened concrete structures. This makes it particularly favoured in high-performance projects such as bridges, tunnels, and smart city infrastructure.

The Indian Concrete Admixtures Market, estimated at USD 332.81 Million in 2024, is projected to reach USD 492.12 Million by 2030, growing at a CAGR of 6.74% from 2024 to 2030. This growth is fuelled by the rising demand for advanced construction materials, driven by both public and private sector investments in infrastructure and urban development.[39]

The global naphthalene and PCE-based admixture industry is also on a growth trajectory, expected to expand at a CAGR of 4.85% from 2024 to 2028. The increasing focus on sustainable construction practices and the need for high-performance materials are key factors behind this growth.[40]



[37]Horizon Grand View Research- Global Naphthalene Market Size & Outlook, 2023-2030

[38]Horizon Grand View Research- India Naphthalene Market Size & Outlook, 2023-2030

[39]Mordor Intelligence- India Concrete Admixtures Market SIZE & SHARE ANALYSIS, Base Year: 2024

[40]TechSci Research- Press Release: Naphthalene and PCE Based Admixtures Market to grow at CAGR of 4.85% to reach USD 20,436.03 Million by 2028, Feb 2023

Management Discussion and Analysis (Contd.)



Government initiatives for infrastructure

The Union Budget 2025-26 has increased infrastructure spending, allocating ₹ 11.21 Lakhs Crores (approximately USD 135 Billion), which constitutes 3.1% of India's GDP. This investment is part of a broader strategy to bolster India's economic growth, aiming for a GDP of USD 7 Trillion by 2030, supported by an estimated USD 2.2 Trillion in infrastructure development.[41]

Smart cities mission

The government's Smart Cities Project has already seen projects worth approximately USD 17.8 Billion (₹ 1,47,704 Crores) completed out of a total project value of USD 19.8 Billion (₹ 1,64,687 Crores) as of FY 2025.[42] This initiative is driving demand for modern construction practices and high-performance admixtures like SNF and PCE.

Rapid urbanisation and high-rise construction

India's growing urban population has accelerated the demand for high-rise buildings, commercial complexes, and residential projects. This surge in construction activities requires advanced admixtures to meet the demands for durability, strength and sustainability.

Sustainability and green construction

The shift towards sustainable construction practices has heightened the demand for eco-friendly materials. SNF and PCE-based admixtures contribute to this trend by reducing water consumption, enhancing energy efficiency, and improving the overall environmental footprint of construction projects.

Himadri is one of India's leading manufacturers of Sulphonated Naphthalene Formaldehyde (SNF), with an annual production capacity of 50,000 MTPA. The Company operates a best-in-class facility managed by a team of experienced professionals. In addition to SNF, Himadri develops advanced concrete admixtures, including Polycarboxylate Ether (PCE), designed to meet diverse construction requirements. Its high-quality products are widely used in projects ranging from bridges to high-rise buildings and are exported to markets across Asia Pacific, Bangladesh, the Middle East and Europe.

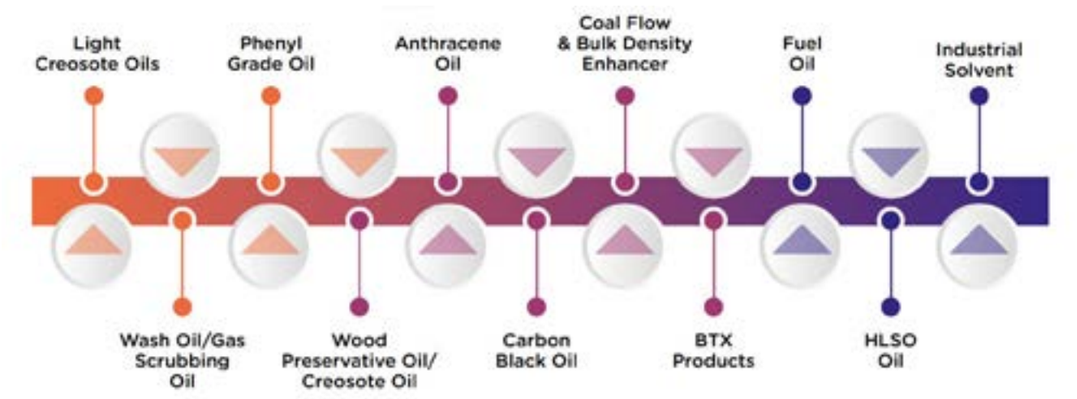


[41]PIB Delhi- HIGHLIGHTS OF UNION BUDGET 2025-26, 1 Feb 2025

[42]PIB Delhi- Smart Cities Mission Achievements: 91% of Projects Completed, ₹1.47 Lakh Crore Invested, 18 Dec 2024

Management Discussion and Analysis (Contd.)

Himadri's Speciality Oils Product Portfolio



Growth catalysts

The anticipated growth in the global wood preservatives industry at a CAGR of 4.56% from 2024-2029[43]

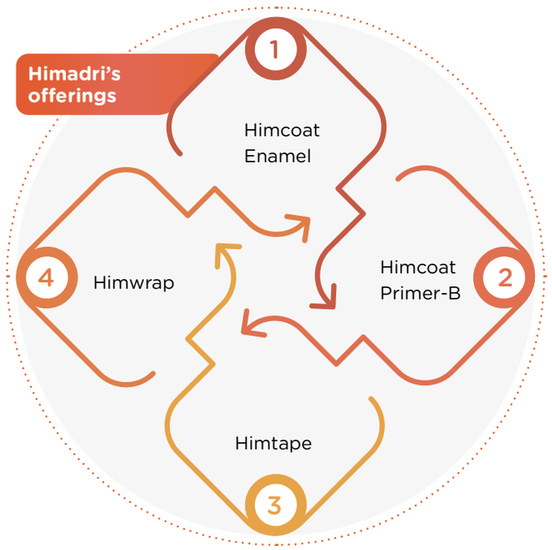
Owing to the significant growth in housing construction activities, the industry in Asia Pacific region is anticipated to witness significant expansion

The reduction in the Goods and Services Tax (GST) by the Indian Government is anticipated to drive the construction activities especially among the middle-class people.

Through Housing for All initiatives, Indian Government expects to boost the Indian housing sector in the coming years

Anti-Corrosion products

The anti-corrosive products offered by the Company are well-known for their resistance to acid and alkali assaults, and they are specifically designed to give outstanding corrosion protection. These products are made from premium-grade high-temperature carbonisation coal tar. The anti-corrosion products offer long-term durability due to their ability to endure a wide range of climatic conditions as well as the harsh salinity of seawater. To extract the best durability and enhanced performance, their temperature and pressure requirements can be rigorously calibrated. These products have a range of applications including petrochemical factories, ships, water purification facilities, distilleries and milk chilling facilities.



[43]GII Global Information- Wood Preservatives - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024 - 2029), 15 Feb 2024

Management Discussion and Analysis (Contd.)

Business performance

Financial highlights

Himadri achieved another milestone of profitable growth journey in FY 2025 with record high revenue from operations and profitability.

Particulars	Standalone		Consolidated	
	FY 2025	FY 2024	FY 2025	FY 2024
Revenue from operations (₹ in Crores)	4,595.80	4,184.89	4,612.63	4,184.89
Earnings before interest, tax, depreciation, amortisation and foreign exchange fluctuation (EBITDA) (₹ in Crores)	843.55	632.37	846.75	635.39
Profit Before Tax (PBT) (₹ in Crores)	807.74	573.14	806.18	573.86
Profit After Tax (PAT) (₹ in Crores)	558.07	411.00	555.10	410.68
Basic Earnings Per Share (EPS) (₹)	11.31	9.17	11.26	9.16
Diluted Earnings Per Share (₹)	11.22	9.16	11.17	9.16

Changes in financial ratios and changes in return on interest

The tables below provide a comparative analysis of the changes in the financial ratios and the return on net worth of the Company from FY 2024 to FY 2025.

Details of key financial ratios

Particulars	FY 2025	FY 2024	Variance (%)	Explanation for the change in the ratio by more than 25%
Debtors Turnover (Sales/Average Debtors)	7.05	7.09	(0.56%)	NA
Inventory Turnover (COGS/Average Inventory)	4.88	4.85	0.62%	NA
Interest Coverage Ratio (EBITDA/Interest)	20.84	10.99	89.63%	Increase in EBITDA and reduction in interest resulted in improvement in interest coverage ratio
Current Ratio (Current assets/Current liabilities)	3.56	1.93	84.46%	Reduction in current liabilities resulted into improvement in current ratio
Debt Equity Ratio (Net Debt(including lease liabilities)/Equity)	(0.10)	(0.04)	150%	Reduction in net debt & increase in net worth on account of higher profitability
Operating Profit Margin (%) (EBITDA/ sale of goods)	18.37%	15.11%	21.58%	NA
Net Profit Margin (%) (PAT/sale of goods)	12.15%	9.82%	23.72%	NA
Return on equity (PAT/Average equity)	16.84%	15.82%	6.45%	NA

Management Discussion and Analysis (Contd.)

Opportunities and challenges

Opportunities

1. **Capitalising on India's economic growth**

   The ongoing expansion of economic activities in India offers Himadri significant opportunities. As various industries in the region continue to develop, Himadri is well-positioned to serve a growing domestic market and expand its footprint.

2. **Leveraging global supply chain shifts**

   Amid the global trend of diversifying supply chains away from China, Himadri stands to benefit from this shift. By increasing its export contributions, the Company can strengthen its international market presence and capitalise on the opportunities arising from changing global dynamics.

3. **Expansion and market leadership**

   Through the brownfield expansion of Singur facilities, Himadri is set to become the fourth-largest global producer of Speciality carbon black. This strategic growth will significantly enhance its presence in international markets, positioning it for greater global leadership.

4. **Commencement of operations at Birla Tyres plant in Odisha**

   Himadri anticipates the commencement of operations in Q1 of FY 2026, and is expected to be ramped up in phases. This development is expected to strengthen Himadri's manufacturing capabilities.

5. **Introduction of high-value speciality products**

   The Company plans to introduce high-value-added Speciality products in coming fiscal year for both domestic and international markets. This will solidify its position in the global Speciality chemicals sector.

6. **Entry into the Electric Vehicle (EV) tyre market**

   With the electric vehicle industry poised for significant growth in the coming years, Himadri plans to enter the EV tyres market. This presents a promising opportunity to tap into a rapidly expanding sector with substantial growth potential.

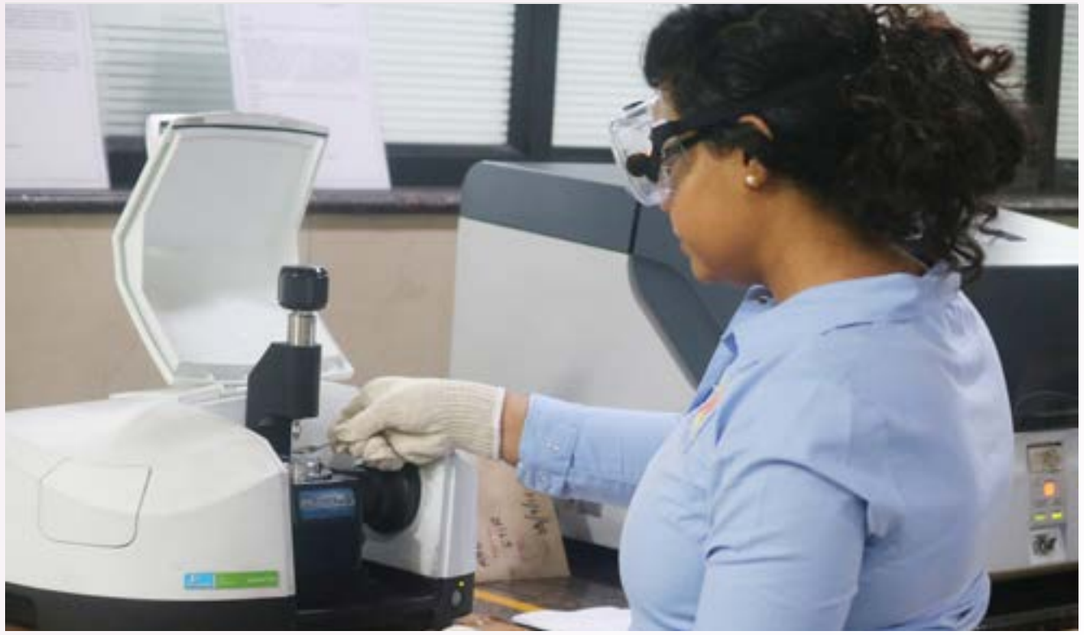
Challenges

Himadri operates in a highly competitive market, facing strong competition from both domestic and global players in the Speciality chemicals sector. This intense competition puts pressure on cost optimisation efforts and market share.

However, the Company stays ahead by closely tracking market trends, maintaining financial discipline, and promoting a culture of continuous innovation. These proactive strategies help Himadri navigate industry challenges while ensuring sustained growth and operational resilience.



Management Discussion and Analysis (Contd.)



Himadri believes that innovation and responsibility go hand in hand to create a better, greener future.

Anurag Choudhary, CMD & CEO

Research and development (R&D)

The Company is highly regarded for its Research and Development (R&D) efforts, which are instrumental in sustaining its competitive position in the market. Himadri incorporates cutting-edge technologies within its R&D framework, allowing its team to create products that cater to the dynamic demands of the market. The R&D initiatives of the Company are aligned with its sustainability goals focused on reducing water consumption elevating water recycling. Moreover, the Company is equipped with advanced facilities, with all its laboratories holding accreditation from the National Accreditation Board for Testing and Calibration Laboratories (NABL). The R&D team, comprising global experts, further enhances the Company's commitment to fostering innovation and advancing its product offerings.

[To read more, refer page 52]

Quality

Himadri prioritises rigorous quality control techniques for all of its products, thereby helping in the achievement of consistency and precision. Across all operations, including product development and manufacture, the Company has achieved compliance with quality standards, therefore supporting in attaining customer satisfaction. In addition to this, the Company's emphasis on quality has resulted in partnerships with a variety of organisations, as well as recognition from the Indian government. Along with the certifications such as ISO 9001:2015 (Quality Management System), IATF 16949:2016 (International Automotive Task Force), ISO 50001:2018 (Energy Management System), ISO 37001:2016 (Anti-bribery Management System), ISO 17025:2017 (NABL Lab Accreditation). To maintain quality standards, the Company guarantees that the QA staff receives regular training and conducts audits at its advanced research laboratory, which is accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). These further highlight Himadri's emphasis on maintaining quality. Moreover, the introduction of cutting-edge technology and sustainable practices has allowed the company to exceed client expectations and strengthen customer relationships.

Management Discussion and Analysis (Contd.)

Himadri has been recognised in three prestigious categories at the Global CSR Excellence & Leadership Awards 2025



This achievement reaffirms its commitment to sustainability, responsible business practices and a thriving workplace culture.

Sustainability and responsible growth

Himadri embeds Environmental, Social and Governance (ESG) principles into its business model. During the reporting period, the Company strengthened its climate risk framework, published its Net Zero 2050 roadmap with short-, mid- and long-term targets in alignment with SBTi, and implemented supplier engagement programmes under its Sustainable Procurement Policy. The company during the reporting period has secured marquee accreditations such securing the prestigious Platinum Medal by EcoVadis, a B rating from CDP for Climate and Water Security and 'Merit' in International Safety Award by the British Safety Council, reinforcing its committment to sustainability.

The Company achieved full Zero Liquid Discharge (ZLD) at all operational sites and conducts third-party verified water and energy audits. In FY 2025, Himadri advanced the implementation of clean energy, condensate recovery and circular use of by-products like Anthracene Oil. Moreover, the company also has in place management systems such as ISO 20400:2017 (Sustainable Procurement), SA8000:2014 (Social Accountability) , ISO 27001:2013 (Information Security Management System), ISO 45001:2018 (Occupational Health and Safety Management System), and ISO 14001:2015 (Environment Management System).

Himadri aligns with global frameworks including UNGC, ICCA Responsible Care, and Global DEI Alliance, enhancing environmental stewardship and social responsibility.

Governance and ethical leadership

Himadri's governance framework is anchored in transparency, accountability, and ethical conduct, ensuring long-term stakeholder value creation. The Company maintains a Board-led ESG Oversight Committee, guiding the integration of sustainability in corporate strategy and monitoring performance against key ESG metrics.

The Board comprises a balanced mix of executive and independent directors, including female representation, fostering diversity in strategic oversight. Key governance practices include a Code of Conduct for team members and suppliers, a Whistleblower Policy, Anti-Bribery & Anti-Corruption Policy, and periodic training on ethics and compliance.

Himadri follows SEBI LODR Regulations and voluntarily aligns with leading disclosure frameworks such as GRI, TCFD and BRSR Core. The Company undertakes third-party ESG assurance, publishes its Business Responsibility and Sustainability Report, and discloses climate and water performance through CDP.

Human resource

Himadri's talent management strategy is aligned with the company's goals to support sustainable growth. Focused on trust, transparency, and shared values, the company fosters a collaborative and innovative work culture. A strong team ethos drives people engagement and loyalty, ensuring long-term market success.

The Company's workforce development strategy emphasises attracting and retaining top talent while promoting a dynamic environment for creativity and operational excellence. Talent development programmes, including assessment and development centres, are designed to nurture future leaders and prepare the team for upcoming challenges.

Himadri is maintaining a diverse and inclusive workforce through rigorous recruitment policies that encourage respect and appreciation, fuelling innovation. Equal opportunities for career progression are provided to all team members. Various people engagement initiatives, such as annual picnics and competitions, further enhance motivation, productivity and long-term success.



[For details on Himadri's people-related initiatives, refer to the page 72 of the Annual Report]

Management Discussion and Analysis (Contd.)

People health and safety

Himadri upholds its "Together Towards Tomorrow" vision, and promote a safer, healthier and more sustainable workplace. It has made notable progress in improving its safety performance, reducing the Lost time injury frequency rate (LTIFR) from 1.18 in FY 2024 to **ZERO** in FY 2025. Himadri adheres to internationally recognised standards, including ISO 45001:2018 and SA 8000:2014, ensuring the safety of its people and stakeholders.

Additionally, Himadri has implemented a comprehensive safety framework that includes hazard identification, risk assessments and behavior-based safety programmes to maintain a robust safety culture. It conducts regular safety drills, emergency response simulations and refresher training to ensure a high level of preparedness.

Himadri works with a vision of 'Zero Accident/Incident'. To ensure this, the Company continuously monitors safety performance through both leading and lagging indicators. Using these real-time monitoring and digital safety audits helps Himadri proactively address potential risks. It is also investing in cutting-edge technologies such as wearable safety devices and real-time monitoring systems to enhance safety outcomes.

Occupational health initiatives, including periodic medical evaluations and stress management programmes, further support team well-being. It has also expanded its ergonomics initiatives, ensuring that workplace conditions meet the highest standards of people health and productivity. The Company continuously enhances emergency response protocols, improves personal protective equipment (PPE) standards, and promotes a culture of safety leadership through engagement programmes.

Corporate Social Responsibility (CSR)

Himadri has undertaken several community development programmes aimed at enhancing the well-being of underserved communities. It actively promotes women empowerment and skill development. The Company focus on promoting education through book donations and various scholarship programmes.

Himadri also provides primary healthcare services through the Village Medical Centre. It contributes significantly to rural development by rebuilding homes and ensuring that villages have access to clean water and reliable electricity.

[For details on Himadri's CSR initiatives, refer to the page 76 of the Annual Report]



Management Discussion and Analysis (Contd.)

Himadri's outlook

Himadri is poised for strong growth, driven by the expanding EV industry and strategic capacity enhancements. The Company plans to establish a Lithium Iron Phosphate (LFP) demo plant. Additionally, the commissioning of its liquid pitch terminal will facilitate exports at ambient temperature, strengthening its footprint in the Middle East.

Further diversifying its portfolio, Himadri is introducing high-value Speciality chemicals such as Anthraquinone and Carbazole, expanding its reach across multiple industries. The Company is also intensifying its sustainability efforts and community development initiatives. Plans include setting up skill development institutions to upskill individuals and promote entrepreneurship, along with allocating funds to establish nursing homes to provide quality healthcare to underserved communities.

With these strategic initiatives, Himadri is well-positioned for sustained expansion and industry leadership.

Risk management

Himadri recognises that risk is an unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company has laid out a risk management policy and Risk Assessment and Minimisation Procedure for identification and mitigation of risks. The Company has also constituted a risk management committee that identify the key risks for the Company and implements the risk mitigation plan of internal and external risks.

The committee is responsible for monitoring and guiding the application of the risk management procedures and recommendation/suggestion towards the risk management approaches. This includes assessing the effectiveness of risk management processes and systems of risk reduction, methods and procedures for the control of identified risks.

In a dynamic operating environment, Himadri has been able to solidify its position as a pioneer in its industry by adhering to its robust risk management framework.

Risk mitigation

The Company evaluates and reviews risks periodically to develop new strategies in response to evolving market conditions. It believes in mitigating risks at the rudimentary stage so that operations can continue uninterrupted without harming the people and property. Through the combined efforts of the Risk Management Committee, Audit Committee and the Management, risks are identified and minimised to the levels which can be predicted with reasonable accuracy.

Risk category	Description of risk	Mitigation measures
Industry risk	A decline in industry prospects, demand fluctuations or slowdown in the downstream industry can impact production and profitability.	• Serves core sectors like aluminium, automobiles, and infrastructure, ensuring stable demand. • Shift in production facilities from the West to Middle East and Asia to strengthen demand for Coal Tar Pitch • Growing steel capacities in India and China strengthen raw material availability and end-product demand.
Operational risk	Equipment downtime, process inefficiencies, or system failures can lower productivity and profitability.	• Established raw material and end-product storage capacity to prevent shortages. • Regular training, preventive maintenance, and failure analysis. • Strong governance mechanisms to track operational KPIs.
Raw material risk	Dependence on coal tar, a by-product of steel plants, can pose availability and price fluctuation risks.	• Maintains adequate stock levels to ensure operational continuity. • Long term relationship with all major Indian raw material suppliers for stable raw material sourcing. • Captive consumption of one-third of production reduced the risk of raw material shortage. • Strategic import partnerships and pricing policies mitigate material availability and cost fluctuations by allowing the passing of effects of fluctuations to customers through established formula in most cases

Management Discussion and Analysis (Contd.)

Risk category	Description of risk	Mitigation measures
Dependency risk	High reliance on specific industries like aluminium and graphite can impact margins during industry downturns.	• Aluminium demand is inelastic due to high shutdown costs. • Diversified product portfolio built over the years which today serves an array of industries like tyres, construction chemicals, paints, and infrastructure.
Environmental risk	Non-compliance with environmental norms can lead to reputational damage and regulatory action.	• Investment in state-of-the-art effluent treatment and zero-discharge facilities that support reverse osmosis and continuous evaporation. • Periodic audits to ensure emissions meet regulatory standards. • Certified for ISO 9001:2015, ISO 14001:2018, and OHSAS 45001. • Company has obtained all necessary environmental approvals from various State and Central Pollution Control Boards in the respective states of its presence • Dedicated EHS team and people training programs.
People risk	Managing key positions is important for efficient operational activities.	• Well-defined succession plan and pay structure aligned with industry standards to attract and retain the right talent. • Robust people engagement and performance-driven culture • Internal team members recognition programme to identify and recognise top performers.
Safety risk	Inadequate safety measures can impact people morale and Business growth.	• Standardised operating procedures and mandatory safety equipment usage. • Established Apex Safety and Plant Level Safety Committees. • Certified for ISO 45001:2018
Quality risk	Failure to meet stringent quality parameters can lead to customer attrition.	• Strong R&D and technology-driven quality improvements. • Periodic customer interactions to align product quality with requirements. • Extensive testing in compliance with international standards.
Logistics risk	Disruptions in the supply chain can impact production and customer commitments.	• Multiple dispatch points and well-connected transportation networks for coal tar pitch delivery. • Dedicated fleet of temperature-controlled tankers ensures timely delivery of liquid pitch at appropriate temperature. • Secure railway and port storage for seamless raw material procurement.
Competition risk	Market share may be impacted due to intense industry competition.	• Continuous product innovation and expansion into new markets. • Strategic proximity to customer facilities enhances competitive advantage. • Strong client relationships, with long-term agreements covering a third of sales. • The Company's scale, efficiency and quality represent a competitive advantage that is difficult to replicate.

Management Discussion and Analysis (Contd.)

Risk category	Description of risk	Mitigation measures
Anti-competitive practices risk	Practices which involve unfair methods of gaining a competitive edge, which pose a significant risk to businesses, markets and economics.	• Well-defined fair competition policy in place to maintain a competitive marketplace. • Himadri's code of conduct guides the Company's operations and its engagement with its customers, suppliers and the broader community.
Geographic risk	Over-reliance on a single geography exposes the Company to economic downturns.	• Expansion into export markets with a focus on high value speciality carbon black products and coal tar pitch. • Established global distribution network and sales offices.
Technological obsolescence	Outdated processes can lead to inefficiencies and cost overruns.	• In-house technical team dedicated to process improvements. • Ongoing investments in advanced technology and environmental management.
Funding risk	Timely availability and cost of funds impact capital expansion and working capital efficiency.	• Diversified debt portfolio with a mix of secured and unsecured loans. • Optimal utilisation of funding options to secure low-cost financing.
Regulatory risk	Non-compliance with statutory requirements can disrupt business operations.	• Dedicated compliance function ensuring adherence to legal norms. • Regular monitoring and board reviews of compliance frameworks. • Oversight of legal compliance for overseas subsidiaries.
Anti bribery and corruption risk	This risk poses significant risks to organisations, individuals and society. The main risks associated with these unethical practices include: • Legal and Financial Risks • Reputational Damage • Operational Disruptions • Regulatory and Compliance Risks • Financial Loss and misallocation of resources • Ethical and internal challenges • Risk of blackmail and extortion	Himadri has a well-defined anti-bribery and corruption policy to mitigate risks arising due to unethical practices. We have a strong operational framework and vigilance policy which ensures that all concerns raised are handled transparently and efficiently, with appropriate oversight to ensure accountability and improvement in ethical practices. • All the concerns raised about unethical practices are handled by Vigilance Officer. • Reporting Channels are available at all times, including direct reporting to the Vigilance Officer,drop boxes, email, and confidential hotline. • Complete investigations is done within 90 days, extended if necessary. • Regular internal audits of the Vigil Mechanism are conducted to ensure compliance with the policy which evaluate efficiency of reporting channels, confidentiality of process and implementation of corrective actions. • External audits are performed once in three years or as required by law. • A record is maintained of all whistle-blower reports, investigations, and outcomes. • Certified for ISO 37001:2016

Management Discussion and Analysis (Contd.)

Risk category	Description of risk	Mitigation measures
System risk	This could result in one or more of the following: • System incapability • Hardware vulnerability • Network Security Risks • Endpoint Security Risks • Data Integrity Risks • Business Non - Continuity • Coordinating and interfacing risks	Himadri has well defined IT policies and procedures to mitigate risks arising due to IT systems and framework. The key points are as under • IT Department of the Company maintains and upgrades the systems on a continuous basis with trained personnel. • Complex Password Protection is enabled at different levels to access Business Technology to ensure data integrity. • Licensed Software is being used in the IT systems. • The Company ensures "Data Security", by having Identity and access control and Authorisation matrix. • All business data is maintained on SAP S/4 HANA system and cloud based. The system is fully protected with firewall and antivirus/anti malware softwares. • All critical Business Data (User Data and Application Data) are backed-up at alternate site to ensure Information Security • The Company Gateway as well as End Points are secured using the best products like to mitigate Network and Web security risks • Disaster Recovery is in place to ensure business continuity. • Certified for ISO 27001:2013
Project risk	Improper planning may result into time and cost overrun. Additionally, the assumptions taken before commencement of a new project may need to be revised with time.	• Thorough cost benefit/ROI analysis conducted before conceiving new capital intensive projects/initiatives and the same is then benchmarked against the actual output/ result at regular intervals
Pandemic risk	Global pandemics such as COVID-19 has added a new dimension to the risk of continuing business operations globally.	• Clear procedures for working from home (WFH) and attending workplace in compliance with WHO and the Government of India guidelines are in place to ensure the continuity of critical business operations under such adverse situations

Financial Risk

Risk category	Description of risk	Mitigation measures
Credit risk	Credit risk arises when a customer or counterparty fails to meet contractual obligations, leading to financial loss. The Company is exposed to credit risk from trade receivables, bank deposits, and investments in debt securities.	• Established credit policy with customer creditworthiness assessment. • Regular monitoring and provisioning using an expected credit loss model. • Credit approvals, limits, and ongoing creditworthiness checks. • Provision matrix to mitigate risk of default payments.
Liquidity risk	Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price.	• Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

Management Discussion and Analysis (Contd.)

Market Risk

Market risk stems from fluctuations in exchange rates, interest rates and equity prices, affecting earnings, cash flows and asset values.

Risk category	Description of risk	Mitigation measures
Currency risk	Foreign exchange fluctuations impact borrowings, imports, capital expenditure and exports, affecting profitability.	• Hedging strategies using forward contracts and swaps. • Strict exposure limits and regular risk assessment. • Forex Risk Management Policy ensures prudent risk mitigation.
Interest rate risk	Fluctuations in interest rates affect borrowing costs and financial performance.	• Interest rate swaps to hedge floating-rate loans. • Strategic financing decisions based on credit market conditions. • Long-term lender relationships ensure competitive borrowing rates.
Equity price risk	Market volatility affects the valuation of quoted and unquoted equity investments.	• Regular review of equity investments by senior management. • Detailed financial planning with annual business plans and variance analysis. • Strong internal controls and external audit oversight.

Industrial relations

Himadri is a people centric organisation. It treats its people as the most integral asset. Himadri has an excellent HR system and well-structured policies for the healthy development of this asset. The Company maintains open lines of communication with its personnel ensuring they are informed about its objectives and ensuring its goals are aligned with its people.

The Company strives to achieve inclusive growth for its people. The Company conducts several development programs for its people at various levels, creating a pleasant work environment, strengthen talent management, capability development, and performance of its people.

Further, the Company has a strong people policy aimed at recruiting the best talent, training the people, engaging with them continuously, and ensuring strong retention, thereby, laying foundation to a robust human capital. This alignment makes it easier for the Company and its people to work together toward common goals.

Statutory compliance

We are committed to maintaining the highest level of ethical practices and ensuring compliance with legal and regulatory requirements. Integrity, professional and ethical conduct remains at the forefront of all our business interactions and activities. The Company strongly believes that the spirit of Corporate Governance goes beyond the statutory form. Sound corporate governance is the key driver of sustainable corporate growth and long-term value creation for the stakeholders and the protection of their interests. Our company meticulously adheres to all legal requirements, emphasising compliance as a fundamental principle in every business decision and strategic direction. The role of the Company Secretary as the Compliance Officer is to ensure the Company's compliance with legal and regulatory requirements, SEBI regulations. The Company Secretary also functions as compliance officer to prevent insider trading. Internal auditors have been appointed to ensure timely reporting of any potential non-compliance thereby mitigating associated risks.

Internal control system

Himadri has designed well-structured internal control systems comprising detailed policies, guidelines and procedures commensurate with the nature, size and complexity of the industry in which it operates. The Company's Board of Directors is responsible for establishing & maintaining internal controls for financial reporting. The Board also evaluates the adequacy and effectiveness of such controls.

Within the Company, internal control mechanisms for business processes, operational efficiency and compliance with all applicable rules and regulations are firmly in place. Himadri follows stringent procedures, enabling to achieve high accuracy in recording ensuring robust financial reporting. To strengthen the internal control process, independent internal auditors are engaged. The Internal control systems are monitored by the internal audit team and Audit Committee, ensuring smooth business functioning by designing, implementing and maintaining adequate internal financial controls. The Audit Committee engages with the Company's statutory auditors to gather insights on financial statements, including the financial reporting system, compliance with accounting policies and procedures and the adequacy and effectiveness of internal controls and systems. The Management considers the Audit Committee's views and recommendations in its decision-making processes.

Regular internal inspections and audits are conducted to ensure the efficient execution of obligations. A comprehensive assessment of the Company's internal controls, accounting procedures and policies is undertaken.

Senior Management evaluates and certifies the effectiveness of internal control mechanisms over financial reporting, adherence to the code of conduct and Company policies and compliance with established procedures in financial or commercial transactions, especially in cases of personal interest or potential conflicts of interest.

Management Discussion and Analysis (Contd.)

Cautionary statement

The management discussion and analysis (MDA) contains statements regarding the Company's objectives, projections, expectations, and estimations, which may constitute 'forward-looking statements' within the scope of applicable securities laws and regulations. Such forward-looking statements are based on certain assumptions and anticipations of future events. However, the Company does not guarantee the accuracy or realisation of these assumptions and expectations.

Actual results may vary materially from those expressed or implied in these statements due to external factors beyond the Company's control. The Company disclaims any obligation to publicly amend, modify, or revise any forward-looking statements in response to subsequent developments or events.



Board's Report

Dear Shareholders,

Your Board of directors ("the Board") take pleasure of presenting the Board's Report as a part of the 37th Annual Report of Himadri Speciality Chemical Ltd ("the Company" or "Himadri"), together with the Audited Financial Statements (Standalone and Consolidated) and the Auditor's Report thereon for the financial year ended 31 March 2025.

1. Financial Highlights

The Company's financial performance for the financial year ended 31 March 2025 are summarized below:

Amount in ₹ Lakhs

Sl. No.	Particulars	Standalone		Consolidated	
		2024-25	2023-24	2024-25	2023-24
I.	Revenue from operations	4,59,580.34	4,18,489.03	4,61,263.12	4,18,489.03
II.	Other income	5,090.14	4,255.06	5,169.18	4,251.77
III.	**Total income (I+II)**	**4,64,670.48**	**4,22,744.09**	**4,66,432.30**	**4,22,740.80**
IV.	**Expenses**				
	Cost of materials consumed	3,15,698.98	3,07,184.52	3,15,210.53	3,06,697.60
	Changes in inventories of finished goods and work-in-progress	(501.19)	(3,670.28)	(507.60)	(3,670.28)
	Employee benefits expense	12,436.63	10,996.88	13,938.55	11,048.10
	Finance costs	4,457.13	6,371.76	4,477.24	6,386.74
	Depreciation and amortisation expense	4,961.51	4,774.78	5,496.52	4,985.87
	Other expenses	46,843.67	39,772.69	47,198.97	39,907.16
	Total expenses (IV)	**3,83,896.73**	**3,65,430.35**	**3,85,814.21**	**3,65,355.19**
V.	**Profit before exceptional items and tax (III-IV)**	**80,773.75**	**57,313.74**	**80,618.09**	**57,385.61**
VI.	Exceptional Items	-	-	-	-
VII.	**Profit before tax (V-VI)**	**80,773.75**	**57,313.74**	**80,618.09**	**57,385.61**
VIII.	**Tax expenses**				
	Current tax	14,094.76	10,003.48	14,229.71	10,096.88
	Deferred tax	10,780.02	6,210.72	10,778.99	6,210.72
	Income tax related to earlier years	91.92	-	99.42	9.83
IX.	**Profit for the year (VII-VIII)**	**55,807.05**	**41,099.54**	**55,509.97**	**41,068.18**

2. Performance Highlights

i) Financial Performance - Standalone

The Company has achieved total revenue from operations of ₹ 4,59,580.34 Lakhs for the financial year ended 31 March 2025 as against ₹ 4,18,489.03 Lakhs for the financial year ended 31 March 2024 representing an increase of 10% because of increase in volume, operational efficiency and change in product mix and geographical mix. Sales volume increased by 16%. The earnings before interest, taxes, depreciation, and amortization ('EBITDA') for the year, excluding the effect of foreign exchange fluctuation loss/ (gain) and other income was ₹ 84,354.83 Lakhs as compared to ₹ 63,236.24 Lakhs for the previous financial year. EBITDA for the year increased by 33% due to the increase in volume, operational efficiency and change in product mix and geographical mix. During the financial year 2024-25, the Company earned a profit after tax of ₹ 55,807.05 Lakhs as compared to ₹ 41,099.54 Lakhs in the previous financial year representing an increase of 36%.

ii) Financial Performance - Consolidated

On a consolidated basis, the total revenue from operations in the financial year 2024-25 increased by 10% to ₹ 4,61,263.12 Lakhs from ₹ 4,18,489.03 Lakhs in the previous financial year. EBITDA for the year, excluding the effect of foreign exchange fluctuation loss/ (gain) and other income, was ₹ 84,674.67 Lakhs as compared to ₹ 63,537.59 Lakhs for the previous financial year. EBITDA for the year increased by 33% due to an increase in volume, change in product mix and operational efficiencies. During the financial year 2024-25, the Company earned a profit after tax of ₹ 55,509.97 Lakhs as compared to ₹ 41,068.18 Lakhs in the previous financial year representing an increase of 35%.

Board's Report (Contd.)

3. Dividend

In terms of Dividend Distribution Policy of the Company, the Board has recommended a dividend of ₹ 0.60 per equity share having face value of ₹ 1 each (i.e. @ 60% per equity share of face value ₹ 1 each) for the financial year ended 31 March 2025 (Dividend for financial year 2023-24 @ ₹ 0.50 per equity share of ₹ 1 each) out of its' current profits, subject to the approval of Members at the ensuing Annual General Meeting (hereinafter referred to as 'AGM') of the Company. The Dividend payout during the financial year ended 31 March 2025 was ₹ 2,467.58 Lakhs (previous year: ₹ 1,081.95 Lakhs).

The dividend, as recommended by the Board, if approved at the ensuing AGM, will be paid to those Members, whose name shall appear on the Register of Members as on the Record Date as shall be mentioned in the Notice of AGM. If approved, the dividend shall be paid within 30 days from the date of declaration as per the relevant provisions of the Companies Act, 2013 (hereinafter referred to as 'Act').

As of the date of signing of this Report, the date/ time/ venue of AGM and the Record Date was yet to be decided. The same will be decided in due course of time and the necessary communication in this regard would be duly issued.

The dividend would be paid to all the equity shareholders, whose names would appear in the Register of Members / list of Beneficial Owners on the Record Date to be determined for the purpose of dividend.

In compliance with the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), the Board of Directors of the Company has, formulated a Dividend Distribution Policy, which is available on the website of the Company at: https://www.himadri.com/home/uploads/govnce_report/code_policy/dividend-distribution-policy-10.02.2023.pdf

Pursuant to the provisions of the Income-tax Act, 1961, the dividend paid or distributed by a Company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, your Company shall make the payment of the dividend after the necessary deduction of tax at source at the prescribed rates, wherever applicable. For the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961 and amendments thereof.

4. Reserves and Surplus

During the financial year 2024-25, the Company has not transferred any amount to the General Reserve. For details regarding the transfer to other reserves please refer to note No. 18 of the financial statements for the year which are self-explanatory.

5. Subsidiaries

The Company has eight Subsidiary Companies including three foreign subsidiaries as on 31 March 2025:

Sl. No	Indian Subsidiaries	% of holding	Type
1	Combe Projects Private Limited	100	Wholly Owned Subsidiary
2	Himadri Clean Energy Limited	100	Wholly Owned Subsidiary
3	Himadri Future Material Technology Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.
4	Himadri Green Technologies Innovation Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.
5	Invati Creations Private Limited*	40	Subsidiary
	Foreign Subsidiaries		
6	AAT Global Limited (In Hong Kong)	100	Wholly Owned Subsidiary
7	Shandong Dawn Himadri Chemical Industry Limited (In China)	94	Step down Subsidiary in which the Company holds 94% equity through its Wholly Owned Subsidiary Company, AAT Global Limited.
8	Himadri Speciality Inc (In the State of Delaware, United States of America)	100	Wholly Owned Subsidiary

*The Company has acquired 40% paid-up share capital of Invati Creations Private Limited (ICPL) and this voting right does not qualify ICPL as a direct subsidiary under Section 2(87) of the Act. However, based on contractual rights (including potential voting rights combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consolidate the financial statements of ICPL as a subsidiary with effect from 17 May 2024.

Board's Report (Contd.)

- **Material subsidiary**

  During the financial year 2023-24 and 2024-25, AAT Global Limited was material subsidiary pursuant to Regulation 16 of SEBI Listing Regulations.

  The Company has formulated a policy for determining material subsidiaries. The Policy is available on the website of the Company at https://www.himadri.com/home/uploads/govnce_report/code_policy/policy-for-determining-material-subsidiaries-10.02.2023.pdf

  A report on the performance and financial position of each of the subsidiaries as per provisions of sub-section (3) of Section 129 of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is annexed to this Report as **Annexure I**.

  Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company for the financial year ended 31 March 2025, along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at www.himadri.com.

- **Names of the Companies which become or ceased to be its Subsidiaries, Joint Ventures or Associates**

  During the financial year the following Companies have become subsidiaries of the Company:

Sl. No	Name of Subsidiaries	% of holding	Type	Date of becoming subsidiary
1	Himadri Green Technologies Innovation Limited	100	Step down Wholly Owned Subsidiary through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.	01 August 2024
2	Invati Creations Private Limited	40	Subsidiary	17 May 2024
3	Himadri Speciality Inc (In the State of Delaware, United States of America)	100	Wholly Owned Subsidiary	07 February 2025

Note:

(i) The Company has acquired 40% paid-up share capital of Invati Creations Private Limited (ICPL) and this voting right does not qualify ICPL as a direct subsidiary under Section 2(87) of the Act. However, based on contractual rights (including potential voting rights combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consolidate the financial statements of ICPL as a subsidiary with effect from 17 May 2024.

(ii) The Company has incorporated a Wholly Owned Subsidiary (WOS) under the name of "Himadri Speciality Inc" in United States of America on 07 February 2025. This WOS is yet to commence business operations as on 31 March 2025. The initial contribution to share capital of USD 10,000 has been made in 1,000 shares of face value of USD 10 each on 09 April 2025.

Other than the Companies mentioned above, no other Company has become or ceased to be a subsidiary or joint venture or associate of the Company during this financial year.

Board's Report (Contd.)

- **Names of the Companies which become Subsidiaries, Joint Venture or Associates after the end of financial year and as on the date of the report.**

Further the following Companies have become subsidiaries of the Company after close of the financial year:

Sl. No	Name of Subsidiaries	% of holding	Type	Date of becoming subsidiary
1	Birla Tyres Limited	100	Wholly Owned Subsidiary	01 April 2025
2	Himadri Birla Tyre Manufacturer Private Limited	49	Subsidiary	01 April 2025
3	Trancemarine and Confreight Logistics Private Limited	60	Subsidiary	04 April 2025
4	Sturdy Niketan Private Limited	99	Step down subsidiary Trancemarine and Confreight Logistics Private Limited holds 99% shareholding in Sturdy Niketan Private Limited	04 April 2025

Note:

(i) Birla Tyres Limited has become Subsidiary of the Company w.e.f 01 April 2025 and Wholly Owned Subsidiary w.e.f. 07 April 2025.

(ii) The Board at its' meeting held on 21 April 2025 has approved acquisition of 100% paid-up equity share capital of Elixir Carbo Private Limited ("Target Company"), in cash, by way of purchase of equity shares from the existing shareholders of the Target Company. On completion of the said purchase, Elixir Carbo Private Limited will become the Wholly Owned Subsidiary of the Company.

6. Consolidated Financial Statements

The consolidated financial statements of the Company for the financial year ended 31 March 2025, have been prepared in accordance with the Indian Accounting Standards (IND AS) 110 - "Consolidated Financial Statements" as notified by Ministry of Corporate Affairs and as per the general instructions for preparation of consolidated financial statements given in Schedule III and other applicable provisions of the Act, and in compliance with the SEBI Listing Regulations. The financial statements of the subsidiaries and the related detailed information will be made available to the shareholders of the Company seeking such information.

The financial statements of the subsidiaries are available at the Website of the Company at www.himadri.com

The Audited Consolidated Financial Statements along with the Auditor's Report thereon forms part of the Annual Report.

7. Preferential Issue

- **Issue of convertible warrants on a preferential basis**

Pursuant to the approval of the Board at its meeting held on 20 March 2024 and approval of the Members of the Company obtained via special resolution passed through Postal Ballot on 19 April 2024, upon receipt of 25% of the issue price per warrant (i.e. ₹ 79 per warrant) as upfront payment ("Warrant Subscription Price"), the Company, on 14 May 2024 had allotted 1,08,17,000 warrants, on preferential basis to the Promoters of the Company and certain identified persons, at a price of ₹ 316 each payable in cash ("Warrant Issue Price").

Each warrant, so allotted, is convertible into one fully paid-up equity share of the Company having face value of ₹ 1 each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹ 237 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

Board's Report (Contd.)

During the financial year 2024-25, the Company has allotted 1,60,000 fully paid-up equity shares against conversion of equal no. of warrants exercised by the warrant holders upon receipt of balance 75% of the issue price (i.e., ₹ 237 per warrant).

For the remaining 1,06,57,000 warrants outstanding as on as on 31 March 2025 for which the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

The details of utilization of funds raised during the financial year 2024-25 against conversion of warrants are given hereunder:

Sl. No	Particulars	Amount in ₹ Lakhs
1	Funds raised through allotment of 1,08,17,000 warrants on 14 May 2024	8,545.43
2	Funds raised through allotment of 1,60,000 fully paid-up equity shares against conversion of equal number of warrants during financial year 2024-25	379.20
3	**Total Funds raised and available for utilization till 31 March 2025 (1+2)**	**8,924.63**
4	**Funds utilized during the year ended 31 March 2025**	**8,924.63**

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the Postal Ballot dated 19 April 2024. Further, there is no category wise variation between projected utilisation of funds and the actual utilisation of funds.

- **Issue of equity shares on preferential basis for consideration other than cash**

Pursuant to the approval of the Board at its meeting held on 20 March 2024 and approval of the Members of the Company obtained via special resolution passed through Postal Ballot on 19 April 2024, the Company, on 17 May 2024 had allotted 7,96,446 equity shares of the Company having face value of ₹ 1 each, at a price of ₹ 316 per equity share (including a premium of ₹ 315) per equity share on a preferential basis for consideration other than cash towards payment of ₹ 25,16,76,936 (Rupees Twenty-Five Crores Sixteen Lakhs Seventy-Six Thousand Nine Hundred Thirty-Six only) ("Purchase Consideration"), payable by the Company to the Allottees, as consideration for acquisition of 2,709 (Two Thousand Seven Hundred Nine) equity shares of ₹ 10 each of Invati Creations Private Limited ("Target Company"), representing 22.29% paid-up equity capital of the Target Company held by the Allottees.

8. Share Capital

The paid-up share capital of the Company at the beginning of the financial year was ₹ 4,925.94 Lakhs consisting of 49,25,94,573 equity shares of ₹ 1 each.

During the financial year 2024-25, the Company has allotted:

(i) 1,24,115 equity shares of ₹ 1 each of the Company to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan 2016" on 23 April 2024.

(ii) 7,96,446 equity shares of ₹ 1 each of the Company on 17 May 2024 towards preferential allotment of share for consideration other than cash.

(iii) 1,07,090 equity shares of ₹ 1 each of the Company to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan 2016" on 29 August 2024.

(iv) 34,000 equity shares of ₹ 1 each of the Company on 09 September 2024 upon conversion of warrants issued on preferential basis.

(v) 25,000 equity shares of ₹ 1 each of the Company on 21 October 2024 upon conversion of warrants issued on preferential basis.

(vi) 1,01,000 equity shares of ₹ 1 each of the Company on 05 March 2025 upon conversion of warrants issued on preferential basis.

As a result of the above allotment the paid-up share capital of the Company at the end of the financial year increased to ₹ 4,937.82 Lakhs consisting of 49,37,82,224 equity shares of ₹ 1 each.

9. Working Capital

The Company continues to enjoy working capital facilities under multiple banking arrangements with various banks including Axis Bank Limited, Bank of Baroda, Citi Bank N.A., DBS Bank India Limited, HDFC Bank Limited, ICICI Bank Limited, IDFC First Bank Limited, IndusInd Bank Limited, Kotak

Board's Report (Contd.)

Mahindra Bank Limited, RBL Bank Limited, Standard Chartered Bank, State Bank of India, The Hongkong and Shanghai Banking Corporation Limited ,Yes Bank Limited, CTBC Bank Co. Ltd and Sumitomo Mitsui Banking Corporation. The Company has been regular in servicing these debts.

10. Credit Rating

The Company has obtained a Credit Rating of its various credit facilities and instruments from ICRA Limited. The details about the ratings are clearly drawn up in the Corporate Governance report forming part of the Board's Report.

11. Capital Expenditure

During the financial year 2024-25, the Company incurred capital expenditure on account of addition to fixed assets aggregating to ₹ 16,165.14 Lakhs (including capital work in-progress and capital advances).

The Board at its meeting held on 25 April 2024 has approved brownfield expansion of a new speciality carbon black line of 70,000 MTPA (increasing the total speciality carbon black capacity to 1,30,000 MTPA) at an estimated capex of ₹ 220 Crores.

The Board at its meeting held on 13 January 2025 has approved a new capex for setting up facility to produce High Value - Added Speciality Products at an investment of ₹ 120 Crores. This facility will enable the Company to extract high-value specialty products, including Anthraquinone, Carbazole, Fluorene from existing coal tar distillates at its existing facility. This capital expenditure will not result in any change in the total existing capacity.

12. Directors and Key Managerial Personnel

- **Composition**

The Board of the Company contains an optimum combination of Executive and Non-Executive Directors. As on 31 March 2025, it comprises of 6 (six) Directors, viz. 3 (three) Non-Executive Independent Directors including a Woman Director and 3 (three) Executive Directors. The position of the Chairman of the Board and the Managing Director are held by same individual, wherein the Chairman of the Board is an Executive Director. The profile of all the Directors can be accessed on the Company's website at www.himadri.com

None of the Directors of the Company have incurred any disqualification under Section 164(1) & 164(2) of the Act. Further, all the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or Ministry of Corporate Affairs or any other such regulatory authority.

During the year under review, the Board has accepted the recommendations of the Audit Committee.

The details of the Board composition and composition of Committees are provided separately in the Corporate Governance Report.

- **Changes in Board Composition and Key Managerial Personnel**

Mr. Santimoy Dey (DIN: 06875452) has ceased to be an Independent Director of the Company upon completion of his second and final term as an Independent Director and consequently ceased to be a Director of the Company w.e.f. the close of business hours on 23 September 2024. The Board places on record its deep appreciation for the contributions of Mr. Santimoy Dey during his tenure as an Independent Director of the Company.

During the financial year 2024-25, Mr. Anurag Choudhary (DIN: 00173934) was re-appointed as Chairman cum Managing Director and CEO of the Company, liable to retire by rotation, for a period of five (5) consecutive years with effect from 14 August 2024 to 13 August 2029 by means of passing Special Resolutions of the members at the 36th AGM of the Company held on 20 June 2024.

During the financial year 2024-25, Mr. Amit Choudhary (DIN: 00152358) was re-appointed as Whole-time Director of the Company, liable to retire by rotation, for a period of five (5) consecutive years with effect from 14 August 2024 to 13 August 2029 by means of passing Special Resolutions of the members at the 36th AGM of the Company held on 20 June 2024.

The Board, based on the recommendation of the Nomination and Remuneration Committee, has re-appointed Mr. Shyam Sundar Choudhary (DIN: 00173732) as a Whole-time Director for a further term of 3 (three) consecutive years with effect from 01 April 2025 upto 31 March 2028

Board's Report (Contd.)

(both days inclusive), subject to approval of the Members of the Company.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board has appointed Mr. Amitabh Srivastava (DIN: 09704968), as an Additional Director in the capacity of Independent Director for a term of 5 (five) consecutive years with effect from 21 April 2025, subject to approval of the Members of the Company.

During the financial year 2024-25, the constitution of the Board complies with the requirements of the Act and the SEBI Listing Regulations.

There were no changes in the Key Managerial Personnel of your Company during the financial year 2024-25.

- **Director retiring by rotation**

Pursuant to the provisions of the Act, the members of the Company at the 36th AGM held on 20 June 2024, re-appointed Mr. Amit Choudhary (DIN: 00152358), Executive Director of the Company, who was liable to retire by rotation.

In accordance with the provisions of the Act, Mr. Shyam Sundar Choudhary (DIN: 00173732), Executive Director retires from the Board by rotation and being eligible and offers himself for re-appointment. The Board recommends the said re-appointment at the 37th AGM.

Further, the brief resume and other details relating to the Director seeking appointment or re-appointment, as stipulated under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2, are provided in the Notice convening the ensuing AGM.

None of the Directors of your Company is disqualified under the provisions of Section 164(2) of the Act. A certificate dated 8 April 2025 received from Mr. Rajarshi Ghosh, Company Secretary in Practice (CP No: 8921) certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India ("SEBI")/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

During the year under review, none of the Directors of the Company is disqualified as per the applicable provisions of the Act.

13. Meetings of the Board

The Board met 7 (Seven) times during the financial year 2024-25. The dates of meetings of the Board and its Committees and attendance of each of the Directors thereat are provided separately in the Corporate Governance Report.

The maximum gap between two Board meetings held during the year was not more than 120 days.

14. Declaration from Independent Directors

During the financial year 2024-25, all the Independent Directors of the Company have given necessary declarations regarding their Independence to the Board as stipulated in Section 149(6) & 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations.

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Act with regard to the integrity, expertise and experience (including the proficiency) of an Independent Director and are independent of the management.

15. Material Changes and Commitments affecting the financial position of the Company & Change in nature of business

There were no material changes and commitments that occurred after the close of the year till the date of this Report, which affected the financial position of the Company.

During the year under review, there was no fundamental change in the nature of the business of the Company.

16. Directors' Responsibility Statement

Based on internal financial controls, work performed by the Internal Auditors, Statutory Auditors, Cost Auditor and Secretarial Auditor, the reviews performed by the management, with the concurrence of the Audit Committee, pursuant to Section 134(3)

Board's Report (Contd.)

(C) read with Section 134(5) of the Act and as per Schedule II Part C(A)(4)(a) of the SEBI Listing Regulations, the Board states the following for the year ended 31 March 2025:

a. In the preparation of the annual accounts for the year ended 31 March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors have selected suitable accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The Directors have prepared the annual accounts on a going-concern basis;

e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17. Nomination & Remuneration Policy

Pursuant to the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule-II of the SEBI Listing Regulations, the Company has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management which also provides for the diversity of the Board and provides the mechanism for performance evaluation of the Directors and the said Policy was amended from time to time and may be accessed on the Company's website at the following link: https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf

The remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

18. Board Diversity

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives, appropriate to the requirements of the businesses of the Company. The Board has adopted the Board Diversity Policy which sets out the approach to diversity. The policy is available at the website of the Company at https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf

19. Loans, Investments and Guarantee

The Company has not given any loans, guarantees or securities during the year that would attract the provisions of Section 185 of the Act.

The Company has also given loans to its Wholly Owned Subsidiaries i.e. Himadri Clean Energy Limited, Himadri Green Technologies Innovation Limited and Himadri Future Material Technology Ltd for business purposes.

During the financial year 2024-25, the Company has made the following investments in securities of other body corporate:

(i) The Company has acquired 40% paid-up equity share capital of Invati Creations Private Limited;

(ii) The Company has made investment in Secured Non-Convertible Debentures ("NCDs") issued by Dalmia Bharat Refractories Limited;

(iii) The Company has made investment in Unsecured Compulsorily Convertible Notes issued by Sicona Battery Technologies Pty Ltd ("Sicona")

(iv) The Company has made further investment by subscribing shares issued by its WOS, Himadri Clean Energy Limited and Combe Projects Private Limited.

The details of loans granted, guarantee given and investments made during the year under review, covered under the provisions of Section 186 of the Act, are provided in the notes to the financial statements of the Company forming part of this Annual Report.

20. Annual Return

In terms of provisions of Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on 31 March 2025 is available on the website of the Company at the link https://www.himadri.com/home/uploads/disclosure/annual_return_companies_act/1747034607_Draft_MGT-7_FY_-2024-25_HSCL.pdf

Board's Report (Contd.)

The annual return uploaded on the website is a draft in nature and the final annual return shall be uploaded on the website of the Company once the same is filed with the Ministry of Corporate Affairs after the AGM.

21. Particulars of Remuneration of Managerial Personnel and Employees and related disclosure

Disclosures pertaining to remuneration and other details as required under Section 197(12), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure II** enclosed hereto and forms part of this Report. The statement containing particulars of employees pursuant to Section 197 of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not being sent to the Members along with this Annual Report in accordance with the provisions of Section 136 of the Act. Copies of the said statement are available at the registered office of the Company during the designated working hours from 21 days before the AGM till the date of the AGM. Any member interested in receiving the said statement may write to the Company Secretary, stating their Folio No./DPID & Client ID.

22. Risk Management (Risk Assessment and Minimization Procedure)

The Company has a policy on Risk Management (Risk Assessment and Minimization Procedure) to identify various kinds of risks in the business of the Company. The Board and the Senior Management review the Policy from time to time and take adequate steps to minimize the risk in business. There are no such risks, which, in the opinion of the Board, threaten the existence of your Company. However, some of the risks which are inherent in business and the type of industry in which it operates are elaborately described in the Management Discussion and Analysis forming part of this Report.

23. Employee Stock Option Plan (ESOP)

Your Company has adopted the Himadri Employee Stock Option Plan ("ESOP 2016") for granting options to eligible employees of your Company as approved by the Members of your Company at the 28th AGM held on 24 September 2016.

The applicable disclosures as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the details of stock options as at 31 March 2025 under the ESOP 2016 are set out in the Report as **Annexure III** and the same forms part of this Report and is also available on the Company's website at the link https://www.himadri.com/home/shareholder_information

24. Auditors and Auditors' Report

(i) Statutory Auditors

M/s Singhi & Co, Chartered Accountants (FRN 302049E), the Statutory Auditors of the Company were appointed at the 34th AGM held on 28 September 2022 for the term of 5 (Five) consecutive years from the conclusion of the 34th AGM till the conclusion of the 39th AGM to be held for the financial year 2026-27.

The Report given by M/s Singhi & Co, Chartered Accountants on the financial statements of the Company for the financial year 2024-25 is part of the Annual Report and there is no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Reports. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

(ii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s A.K Labh & Co, Practising Company Secretaries (ICSI Unique Code S1999WB026800), were appointed as Secretarial Auditor to conduct Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report, pursuant to Section 204(1) of the Act for the financial year ended 31 March 2025, is annexed to this Report as **Annexure IV** and forms part of this Report. There is no qualification, reservation, adverse remark, or disclaimer given by the Secretarial Auditor in their Reports.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2024-25 pursuant to Regulation 24A (2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31 March 2024 has been submitted to the Stock Exchanges and the said report may be accessed on the Company's website at the link https://www.himadri.com/home/stock_exchange_compliance

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the

Board's Report (Contd.)

SEBI Listing Regulations, the Board of Directors at its meeting held on 21 April 2025, upon the recommendation of the Audit Committee, appointed M/s LABH & LABH Associates, Firm of Company Secretaries in Practice (FRN: P2025WB105500) as Secretarial Auditor for a term of five consecutive years commencing from financial year 2025-26, subject to the approval of the shareholders at the forthcoming AGM of the Company. The Company has received the necessary consent from M/s LABH & LABH Associates to act as the Secretarial Auditor of the Company along with the certificate confirming that his appointment would be within the applicable limits.

(iii) Cost Auditor

Mr. Sambhu Banerjee, Cost Accountant, the Cost Auditor of the Company submitted the Cost Audit Report for the year 2023-24 within the time limit prescribed under the Act and Rules made thereunder.

During the Period under review, pursuant to Section 148 of the Act read with the Rules framed thereunder, the Board has re-appointed Mr. Sambhu Banerjee, Cost Accountants, to conduct an audit of the cost records of the Company for the financial year 2024-25.

Pursuant to Section 148 of the Act, read with the rules framed thereunder, the Board of Directors at its meeting held on 21 April 2025, upon the recommendation of the Audit Committee, re-appointed Mr. Sambhu Banerjee as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2025-26. The Company has received the necessary consent from Mr. Sambhu Banerjee to act as the Cost Auditor of the Company for the financial year 2025-26 along with the certificate confirming that his appointment would be within the applicable limits.

Further, pursuant to Section 148 of the Act, read with the rules framed thereunder, the remuneration payable to Cost Auditor for the financial year 2025-26 is required to be ratified by the Members of the Company at the ensuing AGM. Accordingly, an ordinary resolution seeking the approval of Members for ratification of payment of remuneration payable to the Cost Auditor is included in the Notice convening the ensuing AGM of the Company.

(iv) Internal Auditors

The Board appointed M/s Ernst & Young LLP ("EY"), Chartered Accountants, as the Internal Auditors of the Company for the financial year 2024-25. The Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditors on a quarterly basis.

25. Maintenance of Cost Records

The Company is duly maintaining the cost accounts and records as specified by the Central Government in compliance with Section 148 of the Act.

26. Vigil Mechanism / Whistle Blower Policy

The Company has formulated a Vigil Mechanism / Whistle Blower Policy in terms of Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations for the employees to report their grievances / concerns about instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct by means of protected disclosure to the Vigilance Officer or the Chairman of the Audit Committee. The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company's website at https://www.himadri.com/home/uploads/govnce_report/code_policy/1744099263_Policy_on_Vigil_Mechanism.pdf

27. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo for the financial year ended 31 March 2025, as required to be given pursuant to Section 134(3)(m) of the Act read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed to this Report as **Annexure V**.

28. Details in respect of adequacy of Internal Financial Controls with reference to the financial statements

The Company has laid down adequate internal financial controls and checks which are effective and operational. The Internal Audit of the Company for financial year 2024-25 was carried out by M/s Ernst & Young LLP ("EY"), Chartered Accountants, Internal Auditors for all divisions and units of the Company. The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Executives of the Company responsible for financial management and other affairs. The Audit Committee evaluates the internal control

Board's Report (Contd.)

systems and checks & balances for continuous updation and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial controls, accounting controls, physical verification, etc. The Audit Committee regularly observes that proper internal financial controls are in place, including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

29. Related Party Transactions

Your Company has Policy on materiality of related party transactions and on dealing with related party transactions policy. The Audit Committee reviews this policy periodically and also reviews and approves all related party transactions, to ensure that the same are in line with the provisions of applicable law and the Related Party Transactions Policy.

The Audit Committee approves the related party transactions and wherever it is not possible to estimate the value, approves limit for the financial year, based on best estimates.

The related party transactions that were entered into by the Company during the financial year 2024-25, were on an arm's length basis. Further, no material related party transactions were entered into by the Company during the financial year 2024-25. The disclosure under Section 134(3)(h) read with Section 188 (2) of the Act in form AOC-2 is given in **Annexure VI** forming part of this Report.

The details of the transaction with related parties during financial year 2024-25 are provided in the accompanying financial statements.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board in terms of Regulation 23 of the SEBI Listing Regulations is posted on the website of the Company and can be accessed through the following link: https://www.himadri.com/home/uploads/govnce_report/code_policy/1745210462_RPT_Policy_HSCL_-_13.01.2025.pdf

30. Corporate Social Responsibility (CSR)

Your Company believes that it has a responsibility to bring enduring positive value to the communities it works with. In line with Company's core theme to keep India moving, we have and will continue to build enduring and engaging relationships with key stakeholders.

Acknowledging its responsibility towards the society, your Board, in compliance with the provisions of Section 135(1) of the Act and Rules made thereunder has formulated the CSR Committee and CSR Policy. Further, the CSR policy has been placed on the website of the Company and can be accessed through the following link: https://www.himadri.com/home/uploads/govnce_report/code_policy/1747470214_Corporate_Social_Responsibility_Policy_10.02.2023.pdf

The CSR Committee guides and monitors the activity undertaken by the Company in this sphere. The Company's key objective is to make a difference to the lives of the underprivileged and help them to bring a self-sustaining level. There is a deep commitment to CSR engagement. The Company has the following ongoing CSR projects:

(i) Rural development project for constructing Pucca houses in place of Kutcha houses for Economically Weaker Sections (EWS) of the society in village area surrounding or adjoining to Company's plant at Mahistikry as well as surrounding villages, setting up of rural electrification facility, setting up of drainage system, setting up of water supply tanks including pipeline connectivity to the villages involving a large amount of outlay and same are under process.

(ii) Heath Care Project for Setting up of Nursing Home at Dist. Hooghly by construction of building - facilities of Kidney dialysis, eye testing, spectacles distribution, medicine distribution, Ayurvedic, naturopathic and homeopathy treatment for the betterment of local people surrounding the plant at Mahistikry as well as surrounding villages.

During the financial year 2024-25, the Company was required to spend ₹ 648.70 Lakhs, the minimum amount to be spent on CSR activity. The Company spent ₹ 245.64 in excess towards CSR in FY 2023-24 which has been set off during FY 2024-25. The Company is required to spend in FY 2024-25 after set-off excess CSR is ₹ 403.06 Lakhs.

Out of net CSR obligation of ₹ 403.06 Lakhs for the financial year 2024-25, the Company spent ₹ 486.06 Lakhs during the financial year 2024-25. There was no amount unspent for the year ended 31 March 2025. The Company has spent an excess amount ₹ 83.00 Lakhs in CSR which is eligible for set off in three succeeding financial years.

The Annual Report on CSR activities in terms of Rule 8 of the Companies (Corporate Social Responsibility

Board's Report (Contd.)

Policy) Rules, 2014 is annexed herewith and marked as **Annexure VII** forming part of this Report.

31. Performance Evaluation

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Independent Directors at their meeting have evaluated the performance of executive directors after considering the views of the Executive and Non-Executive Directors, the Board as a whole assessed the quality, quantity, and timeliness of flow of information between the Company's Management and the Board.

The evaluation process focused on various aspects of the Board and Committees' functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties, obligations and governance issues. A separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and exercise of independent judgement.

Further, the Board, upon recommendation of the Nomination and Remuneration Committee and as per the criteria and manners provided for the annual evaluation of each member of the Board and its Committees, has evaluated the performance of the entire Board, its Committees, and individual directors. During the financial year 2024-25, all the members of the Board and its Committees met the criteria of performance evaluation as set out by the Nomination and Remuneration Committee.

The Board expressed satisfaction with the overall functioning of the Board and its Committees.

32. Public Deposit

During the financial year 2024-25, the Company has not accepted any deposits from the public within the meaning of Section 73 and Section 74 of the Act, therefore the disclosure pursuant to Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

33. Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future

There are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations. During the year under review, no Corporate Insolvency Resolution application was made, or proceeding was initiated, by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application / proceeding by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31 March 2025.

34. Transfer of Unclaimed Dividend and Unclaimed Shares to Investor Education & Protection Fund (IEPF)

Pursuant to applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends that are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") established by the Central Government, after completion of seven years from the date of the declaration of dividend are transferred to IEPF. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more are also transferred to the demat account of the IEPF Authority.

The Company had sent individual notices and advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Thereafter, the Company transferred such unpaid or unclaimed dividends and corresponding shares to IEPF.

During the financial year 2024-25, pursuant to provision of Section 124 of the Act, the Company has transferred a sum of ₹ 579,039 to the IEPF, the amount of dividend which was unclaimed/ unpaid for a period of seven years, declared for the financial year 2016-17.

During the financial year 2024-25, the Company has transferred 85,315 shares in respect of which dividend has not been paid or claimed for seven consecutive years or more pursuant to Section 124 of the Act to the IEPF.

Shareholders/claimants whose shares or unclaimed dividend, have been transferred to the IEPF may claim those dividends and shares from the IEPF Authority by complying with prescribed procedure and filing the e-Form IEPF-5 online with MCA portal.

The dividend declared for the financial year ended 31 March 2018 and which remains unpaid/ unclaimed is due to be transferred to IEPF within statutory timelines, upon expiry of the period of

Board's Report (Contd.)

seven years. The due dates for transfer of unclaimed dividend to IEPF are provided in the report on Corporate Governance.

Further the shares in respect of which dividend has not been paid or claimed for seven consecutive years will also be transferred to IEPF. Shareholders are requested to ensure that they claim the unpaid dividends referred to above before the dividend and shares are transferred to the IEPF pursuant to the provision of Section 124 of the Act.

35. Corporate Governance

Your directors believe that corporate governance is an ethically driven business process that is committed to values aimed at enhancing the growth of your Company. The endeavor is to continue and move forward as a responsible and sustainable Company in order to attract as well as retain talents, investors and to maintain fulfilling relationships with the communities and take all possible steps in the direction to re-write a new future for your Company.

We are committed to achieve the highest standards of ethics, transparency, corporate governance and continue to comply with the code of conduct framed for the Board and senior management under SEBI Listing Regulations and have maintained high standards of corporate governance based on the principle of effective implementation of internal control measures, adherence to the law and regulations and accountability at all levels of the organization.

Your Company's corporate governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high levels of integrity in decision making. In terms of the provisions of Regulation 34(3) of the SEBI Listing Regulations, the Corporate Governance Report of the Company together with a certificate from Practising Company Secretaries confirming compliance, is annexed herewith and marked as **Annexure VIII** forming part of this Report.

36. Management Discussion and Analysis

The Management Discussion and Analysis as required under Schedule V of the SEBI Listing Regulations forms an integral part of the Annual Report. The said report gives detail of the overall industry structure, economic developments, performance and state of affairs of your Company's business, risk management systems and material developments during the year under review.

37. Business Responsibility and Sustainability Reporting (BRSR)

The Business Responsibility and Sustainability Reporting (BRSR) of the Company for the financial year ended 31 March 2025 as required pursuant to the Regulation 34(2)(f) of the SEBI Listing Regulations is annexed herewith and marked as **Annexure IX** forming part of this Report and the same is also available on the Company's website at www.himadri.com.

38. Listing on Stock Exchanges

There were 49,37,82,224 equity shares of the Company as on 31 March 2025. However, out of 49,37,82,224 equity shares of the Company, 49,36,81,224 equity shares were listed with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The difference in the issued and listed capital is because of 1,01,000 number of equity shares which were allotted on 5 March 2025 and pending for listing as on 31 March 2025.

The Company has paid the annual listing fees to these stock exchanges.

39. Dematerialisation of Shares

There were 49,37,82,224 equity shares of the Company as on 31 March 2025, out of the 49,37,82,224 equity shares of the Company 49,19,26,832 shares were held in electronic form representing 99.62% of the total paid-up share capital, whereas balance of 18,55,392 shares was held in physical form representing 0.38% of the total paid up share capital of the Company. The Company's equity shares are compulsorily required to be traded in dematerialised form, therefore, Members are advised to speed up converting the physical shareholding into dematerialised form through their DP(s).

40. E-voting facility at AGM

In terms of Regulation 44 of SEBI Listing Regulations and in compliance with the provisions of Section 108 of the Act read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 (as amended), the items of business specified in the Notice convening the 37th AGM of the Company shall be transacted through electronic voting system only and for this purpose the Company is providing e-Voting facility to its' Members whose names will appear in the register of members as on the cut-off date (fixed for the purpose), for exercising their right to vote by electronic means

Board's Report (Contd.)

through the e-voting platform to be provided by National Securities Depository Ltd ("NSDL"). The detailed process and guidelines for e-Voting have been provided in the notice convening the meeting.

41. Prevention of Sexual Harassment at Workplace

Your Company firmly believes in providing a safe, supportive, and friendly workplace environment – a workplace where its values come to life through supporting behaviors. A positive workplace environment and great employee experience are integral parts of its culture. Your Company continues to take various measures to ensure a workplace free from discrimination and harassment based on gender.

Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment. Your Company has created the framework for individuals to seek recourse and redressal to instances of sexual harassment.

Your Company has a Sexual Harassment Prevention and Grievance Handling at the Workplace Policy in place to provide clarity around the process to raise such a grievance and how the grievance will be investigated and resolved. An Internal Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. There are regular sessions offered to all employees to increase awareness of the topic, and the Committee and other senior members have undergone training sessions.

During the financial year 2024-25, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the year.

During the financial year 2024-25, initiatives were taken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment, which included easy to understand training and communication material which was made easily accessible. The Company has also conducted online training for the employees to cover various aspects of this matter.

42. Compliance of Secretarial Standards

The Company has followed the applicable Secretarial Standards, with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

43. Outcome of Board Meetings

Month	Outcome
April 2024	i) Audited Financial Results (Standalone & Consolidated) for the quarter and financial year ended 31 March 2024. ii) Declaration of Dividend iii) Brownfield expansion of Speciality Carbon Black iv) Re-appointment of Chairman Cum Managing Director & CEO; v) Re-appointment of Whole-time Director; vi) Appointment of Secretarial Auditor vii) Re-appointment of Internal Auditors
July 2024	i) Un-audited Financial Results (Standalone and Consolidated) for the quarter ended 30 June 2024. ii) Acquisition of 100% equity shares of Himadri Green Technologies Innovation Limited to make it a Wholly Owned Step-down Subsidiary.
October 2024	i) Un-audited Financial Results (Standalone and Consolidated) for the quarter and six-months ended 30 September 2024.

Board's Report (Contd.)

Month	Outcome
January 2025	i) Un-audited Financial Results (Standalone & Consolidated) for the quarter and nine-months ended 31 December 2024
	ii) Capex of ₹ 120 Crores for setting up facility to produce High Value - Added Speciality Products
	iii) Incorporation of a subsidiary in India as a Public Limited Company.
	iv) Incorporation of foreign Wholly owned subsidiary in the United States of America (USA).
	v) Re-appointment of Whole-time Director;
March 2025	i) Conversion of 30,00,000 no. of 0.01% Secured Optionally Convertible Debentures (OCDs) held by the Company into equity shares of Birla Tyres Limited and subsequent acquisition of 9,999 existing equity shares of BTL held by Dalmia Bharat Refractories Limited;
	ii) Conversion of 1,44,118 no. of 0.01% Unsecured Optionally Convertible Debentures (OCDs) held by the Company, into equity shares of Himadri Birla Tyre Manufacturer Private Limited;

44. General Disclosures

The Directors state that no disclosure or reporting is required in respect of the following items as there were no such transactions during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. The Company has not resorted to any buy back of its equity shares during the year under review.
3. Neither the Managing Director nor the Whole-time Directors of your Company received any remuneration or commission during the year, from any of its subsidiaries.
4. The Company serviced all the debts and financial commitments as and when they became due, and no settlements were entered into with the bankers. Since the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable.

45. Green Initiatives & Acknowledgement

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Members at their e-mail address registered with the Depository Participants ("DPs") and RTAs. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ("RTAs")/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circular No. 09/2024 dated 19 September 2024 and SEBI Circular dated 03 October 2024, the Annual Report of the Company for the financial year ending 31 March 2025 including therein the Audited Financial Statements for the financial year 2024-25, will be sent only by email to the Members.

The Board of the Company wishes to place on record their sincere appreciation of the dedication and commitment of all employees in continuing their achievements and excellence in all areas of the business. The Board thanks the shareholders, customers, suppliers, bankers, other stakeholders and various departments of the State Government and the Central Government for their continuous support to the Company.

Your Board appreciates and values the contribution made by every member of the Himadri family.

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Annexure I

of the Board's Report

Form AOC-1

Statement containing salient features of the Financial Statements of Subsidiaries

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Amount in Lakhs

	1		2		3	4	5	6	7
Name of the Subsidiary Company	AAT Global Ltd, Hongkong		Shandong Dawn Himadri Chemical Industry Ltd, China*		Combe Projects Private Ltd	Himadri Clean Energy Ltd	Himadri Future Material Technology Ltd#	Himadri Green Technologies Innovation Ltd#	Invati Creations Private Ltd^
Financial year ending on	31 March 2025		31 March 2025		31 March 2025	31 March 2025	31 March 2025	31 March 2025	31 March 2025
Reporting Currency	INR	USD	INR	RMB	INR	INR	INR	INR	INR
Share Capital	7,823.75	91.42	5,876.25	500.00	9.75	450.00	5.00	1.00	1.22
Other Equity	(16,058.59)	(187.64)	(10,837.51)	(922.14)	(5.29)	(376.45)	(7.02)	(29.11)	2,434.79
Total Assets	3,174.43	37.09	5,995.98	510.19	4.96	503.45	340.50	543.81	2,535.73
Total Liabilities	11,409.27	133.31	10,957.24	932.33	0.50	429.90	342.52	571.92	99.72
Investments	-	-	-	-	-	5.63	-	-	416.65
Turnover / Total Income	52,846.03	625.10	45.00	3.84	2.87	1,021.97	-	-	776.90
Profit/(Loss) Before Taxation	438.28	5.19	(190.95)	(16.38)	(2.21)	(375.60)	(6.33)	(28.97)	310.13
Provision for Taxation	54.32	0.64	-	-	-	-	-	-	87.10
Profit/(Loss) After Taxation	383.96	4.55	(190.95)	(16.38)	(2.21)	(375.60)	(6.33)	(28.97)	223.03
Proposed Dividend	-	-	-	-	-	-	-	-	-
% of Shareholding		100%		94%	100%	100%	100%	100%	40%

*Shandong Dawn Himadri Chemical Industry Ltd ("SDHCIL") in China, in which the Company holds 94% equity through its wholly owned subsidiary Company, AAT Global Limited.

#Himadri Future Material Technologies Limited and Himadri Green Technologies Innovation Ltd in which the Company holds 100% equity through its wholly owned subsidiary Company, Himadri Clean Energy Limited.

^The Company has acquired 40% paid-up share capital of Invati Creations Private Limited (ICPL) and this voting right does not qualify ICPL as a direct subsidiary under Section 2(87) of the Act. However, based on contractual rights (including potential voting rights combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consolidate the financial statements of ICPL as a subsidiary with effect from 17 May 2024.

1. **Names of subsidiaries which are yet to commence operations-** The Company has incorporated a Wholly Owned Subsidiary (WOS) under the name of "Himadri Speciality Inc" in United States of America on 07 February 2025. This WOS is yet to commence business operations as on 31 March 2025.
2. **Names of subsidiaries which have been liquidated or sold during the year-** Nil

Part B - Associates and Joint Ventures - Not Applicable

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Annexure II

of the Board's Report

Details pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2024-25:

Name	Designation	Ratio
Mr. Anurag Choudhary	Chairman cum Managing Director & Chief Executive Officer ("CMD & CEO")	81:1
Mr. Shyam Sundar Choudhary	Executive Director	71:1
Mr. Amit Choudhary	Executive Director	61:1
Mr. Girish Paman Vanvari	Independent Director	2:1
Mr. Gopal Ajay Malpani	Independent Director	2:1
Ms. Rita Bhattacharya	Independent Director	1:1

Note: Mr. Santimoy Dey (DIN: 06875452) Independent Director has ceased to be an Independent Director upon completion of his second and final term and consequently ceased to be a Director of the Company w.e.f. close of business hours on 23 September 2024, hence his remuneration was not considered for above.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2024-25:

Name	Designation	% Increase in remuneration
Mr. Anurag Choudhary	Chairman Cum Managing Director & Chief Executive Officer ("CMD & CEO")	14
Mr. Shyam Sundar Choudhary	Executive Director	-
Mr. Amit Choudhary	Executive Director	17
Mr. Kamlesh Kumar Agarwal	Chief Financial Officer	14
Ms. Monika Saraswat	Company Secretary & Compliance Officer	18
Independent Director (Sitting Fee)		
Mr. Girish Paman Vanvari	Independent Director	20
Mr. Gopal Ajay Malpani	Independent Director	150
Ms. Rita Bhattacharya	Independent Director	75

Note:

Mr. Santimoy Dey (DIN: 06875452) Independent Director has ceased to be an Independent Director upon completion of his second and final term and consequently ceased to be a Director of the Company w.e.f. close of business hours on 23 September 2024, hence his remuneration was not considered for above.

3. The percentage increase in the median remuneration of employees in the financial year 2024-25:

The percentage increase in the median remuneration of employees is 11%.

Annexure II

of the Board's Report (Contd.)

4. The number of permanent employees on the rolls of the Company:

There were 970 number of permanent employees on the rolls of the Company as on 31 March 2025.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2024-25 was 12% whereas the increase in the managerial remuneration for the same financial year was 15%.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other employees are as per the Nomination and Remuneration Policy of the Company.

Note: The Independent Directors of the Company are entitled to sitting fees as per the terms approved by the Members of the Company. The criteria for making payments to the Independent Directors and details of remuneration paid to them have been provided in the Corporate Governance Report.

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Annexure III

of the Board's Report

Disclosure as required under Section 62(1)(b) of the Act read with Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are appended as below:

Sl. No	Particulars	Himadri Employee Stock Option Plan 2016	
1	**Date of Shareholders' Approval**	24 September 2016	
2	**Total No of Options approved under ESOS**	40,00,000	
3	**Vesting Requirements**	The Options granted under ESOP 2016 would vest after one year but not later than five years from the date of grant of such option. Vesting of Options would be subject to continued employment with the Company and Options would vest on passage of time and also fulfilment of certain performance parameters.	
4	**Date of Grant**	5 January 2017	8 May 2018
5	**Exercise price or pricing formula**	₹ 19 (Exercise Price)	₹ 140 (Exercise Price)
6	**Maximum term of options granted**	9.65 years from the date of grant	4.57 years from the date of grant
7	**Source of Shares**	Primary	Primary
8	**Variation in terms of option**	Not Applicable	Not Applicable
9	**Method of Option Valuation**	Black Scholes Merton Model	Black Scholes Merton Model
10	**Option Movement during the year**		
	- **Number of Options outstanding at the beginning of the period**	9,802	4,26,647
	- **Number of Options granted during the year**	-	-
	- **Number of Options forfeited / lapsed during the year**	-	-
	- **Number of Options vested during the year**	-	-
	- **Number of Options exercised during the year**	3,330	2,27,875
	- **Number of Shares arising as a result of exercise of options**	3,330	2,27,875
	- **Money realized by exercise of options (Amount in ₹ Lakhs)**	0.63	319.02
	- **Loan repaid by the Trust during the year from exercise price received**	-	-
	- **Number of Options outstanding at the end of the year**	6,472	1,98,772
	- **Number of Options exercisable at the end of the year**	6,472	1,98,772
11	**Weighted average exercise price of Options granted during the year whose**		
(a)	Exercise Price equals market price	-	-
(b)	Exercise Price is greater than market price	-	-
(c)	Exercise Price is less than market price	-	-
12	**Weighted average fair value of Options granted during the year whose**		
(a)	Exercise Price equals market price	-	-
(b)	Exercise Price is greater than market price	-	-
(c)	Exercise Price is less than market price	-	-
13	**Employee wise details of Options granted during the financial year 2024-25 to:**		
i.	**Senior Management Personnel**		

Name	Designation	Options granted during the year	Exercise Price
None			

Annexure III

of the Board's Report (Contd.)

ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; and

Name	Designation	Options granted during the year	Exercise Price
None			

iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant

Name	Designation	Options granted during the year	Exercise Price
None			

Note:

(1) Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof are mentioned in the notes to the financial statements, the same forms part of this Annual Report.

(2) There were no material changes in the scheme and the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof.

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Annexure IV

of the Board's Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Himadri Speciality Chemical Ltd
23A, Netaji Subhas Road,
8th Floor, Suite No. 15,
Kolkata - 700 001
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Himadri Speciality Chemical Limited** having its Registered Office at 23A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700 001, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2025 according to the provisions of (as amended) :

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

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

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

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

Annexure IV

of the Board's Report (Contd.)

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (as amended) :

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts :

(i) The Petroleum Act, 1934 and Rules made thereunder;

(ii) The Legal Metrology Act, 2009;

(iii) The Public Liability Insurance Act, 1991;

(iv) The Hazardous and Other Wastes (Management, Handling and Transboundary Movement) Rules, 2016;

(v) The Environment (Protection) Act, 1986;

(vi) The Boilers Act, 1923;

(vii) Air (Prevention and Control of Pollution) Act, 1981;

(viii) Water (Prevention and Control of Pollution) Act, 1974

to the extent of its applicability to the Company during the financial year ended 31.03.2025 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

We further report that :

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

(iv) There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Annexure IV

of the Board's Report (Contd.)

We further report that, during the year under review :

(i) the Company has made allotment of :

(a) 1,24,115 and 1,07,090 Equity Shares to the eligible employees on exercise of options pursuant to "Himadri Employee Stock Option Plan - 2016" on 23.04.2024 and 29.08.2024 respectively;

(b) 1,08,17,000 Warrants on preferential basis to the Promoters and certain other identified persons on 14.05.2024;

(c) 7,96,446 Equity Shares on preferential basis for consideration other than cash for acquisition of 40% paid-up equity share capital of Invati Creations Private Limited on 17.05.2024;

(d) 1,000 units of Commercial Paper of ₹ 5,00,000/- each, aggregating to ₹ 50 Crores on 22.07.2024 and has made full and timely re-payment to the holders of the said Commercial Paper on 18.10.2024;

(e) 34,000, 25,000 and 1,01,000 Equity Shares on 09.09.2024, 21.10.2024 and 05.03.2025 respectively by conversion of Warrants issued on preferential basis;

(ii) the members of the Company at the 36th Annual General Meeting of the Company held on 20.06.2024 have approved the re-appointment of :

(a) Mr. Anurag Choudhary (DIN – 00173934) as Chairman cum Managing Director and CEO for a further period of 5 (five) years w.e.f. 14.08,2024 upto 13.08.2029;

(b) Mr. Amit Choudhary (DIN – 00152358) as Whole-time Director for a further period of 5 (five) years w.e.f. 14.08.2024 upto 13.08.2029;

(iii) the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, has re-appointed Mr. Shyam Sundar Choudhary (DIN: 00173732) as the Whole-time Director for a further term of 3 (three) years w.e.f. 01.04.2025 upto 31.03.2028, subject to approval of the Members of the Company;

(iv) Mr. Santimoy Dey (DIN: 0687542) has ceased to be an Independent Director of the Company upon completion of his second and final term as an Independent Director w.e.f. the close of business hours on 23.09.2024;

(v) Certain e-forms related to IEPF as filed on-line with the Registrar of Companies through the portal of Ministry of Corporate Affairs (www.mca.gov.in) are not yet approved due to technical reasons and for which complaints have been filed with the MCA;

(vi) Himadri Clean Energy Limited ("HCEL"), the Wholly Owned Subsidiary ("WOS") of the Company has completed acquisition of 100% Equity Shares of Himadri Green Technologies Innovation Limited ("HGTIL"), by way of purchase of the balance Equity Shares from the existing shareholders of the said company. Consequent to the said acquisition, HGTIL has become a WOS of HCEL and a step down WOS of the Company w.e.f. 01.08.2024;

(vii) the Company has incorporated a Wholly Owned Subsidiary Company under the name of "Himadri Speciality Inc" in the State of Delaware, United States of America on 07.02.2025.

This report is to be read with our letter of even date which is annexed as Annexure – A, which forms an integral part of this report.

For A. K. LABH & Co.
Company Secretaries

Sd/-
(CS A. K. LABH)
Proprietor
FCS : 4848 / CP No. : 3238
UIN : S1999WB026800
PRCN : 1038/2020
UDIN : F004848G000153062

Place : Kolkata
Date: 21 April 2025

Annexure IV

of the Board's Report (Contd.)

Annexure A

To,
The Members,
Himadri Speciality Chemical Ltd

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A. K. LABH & Co.
Company Secretaries

Sd/-
(CS A. K. LABH)
Proprietor
FCS : 4848 / CP No. : 3238
UIN : S1999WB026800
PRCN : 1038/2020
UDIN : F004848G000153062

Place : Kolkata
Date: 21 April 2025

Annexure V

of the Board's Report

Information as per Section 134(3)(m) of the Act read with the Rule 8(3) of Companies (Accounts) Rules, 2014 for the year ended 31 March 2025:

A. Conservation of energy

Sl. No.	Particulars	Description
1.	**Steps taken or impact on conservation of energy**	The Company continued their efforts in reducing energy consumption, improving energy efficiencies and exploring alternate sources of energy to align with the Company's overall sustainable approach. The Company achieves this by adopting an approach of continuous improvement which includes mechanisms like regular monitoring systems, periodic maintenance of machineries, installation of automation technology in machines and vigilant supervision. The holistic approach enables the company to reduce its energy consumption and enhance its energy efficiency in its business operations. Some of the steps undertaken: 1. Use of deaerated hot water into waste heat recovery boilers helped to increase steam generation by 20% - 30%, resulting in enhancement of boiler efficiency. 2. Improvement in Hot airline insulation to reduce temperature by 20 DegC. This benefits in the reduction of process specific energy intensity. 3. Automation is done in a steam condensate water recovery system which reduces the wastage of condensate water by 30kl per day. 4. Use of preheated air reduces the temperature gradient, leading to lower fan energy requirements and also subsequently reducing the fuel consumption in the combustor. 5. Replaced the conventional fuel oil heating system with a steam heating system in the Coal Tar Distillation facility which improved heating efficiency, reduced GHG emissions, and lower maintenance. 6. Installed variable frequency drivers (VFD's) on boiler feed pumps to reduce excess pressure generation which saved significant amount of energy. 7. Used ultrasonic detection to seal leaks, reducing compressed air losses from 12.5% to 9.8 %. 8. Installed a timer-based drainage system with moisture-sensing zero-loss drains in compressed air system which in turn saved significant energy.
2.	**Steps taken by the Company for utilizing alternate source of energy**	Nil
3.	**Capital investment on energy conservation equipment.**	No direct identifiable investment pertaining to conservation of energy was done during the year. Hence the amount of investment cannot be directly measured.

B. Technology absorption

Sl. No.	Particulars	Description
1.	**Efforts made towards technology absorption**	**100% R&D Expenditure Directed at ESG Goals:** Himadri allocated its entire R&D spend toward improving environmental and social impacts, demonstrating a complete commitment to sustainable innovation. **Advanced Energy Materials:** Investments were made in high-performance materials catering to the electric vehicle sector and energy storage applications, especially through development of lithium-ion battery materials and specialty blacks.

Annexure V

of the Board's Report (Contd.)

Sl. No.	Particulars	Description
		Pilot Reactors and Distillation Units: Deployed for product development and emission efficiency improvement, especially for performance chemicals like carbazole used in electrical devices. **Smart Energy Management:** Installation of Smart Comm software and 140 smart meters in the Carbon Black Division for real-time energy monitoring and consumption optimization. **Mechanical Lifting and Electrical Projects:** Technology upgrades in utility systems and mechanical operations contributed to notable reductions in energy consumption and emissions. **Circular Economy Innovation:** Himadri developed techniques for upcycling industrial by-products such as converting sludge into fuel and using Anthracene oil for carbon black production. **Nanotechnology Integration:** Incorporated in advanced product offerings to enhance energy density, efficiency, and sustainability. **Yield Optimization in Carbon Black:** Technological refinement led to a 4% increase in yield, reducing raw material use and GHG emissions. **Environmental Monitoring Tech:** Deployed nitrogen blanketing systems and pulsed radio wave technology to control vapor emissions and reduce PM2.5/PM10 air pollutants. **Accredited R&D Infrastructure:** Himadri's R&D laboratories are NABL-accredited and staffed with both national and international experts, promoting a culture of global innovation and sustainable process development.
2.	**Benefits derived like product improvement, cost reduction, product development, import substitution**	**Product Improvement:** Development of advanced grades of carbon black and coal tar pitch with enhanced properties for electric vehicle batteries and energy storage. Integration of nanotechnology improved energy density and performance of speciality chemicals. Adoption of zero-loss drain systems and smart meters led to optimized utilities with better performance tracking. **Cost Reduction:** Energy-saving initiatives such as waste heat recovery, VFDs, and steam heating systems led to significant reductions in energy costs. Leak reduction in compressed air systems and process optimizations minimized utility losses and maintenance costs. Yield improvement in carbon black production (by 4%) decreased raw material consumption and waste.

Annexure V

of the Board's Report (Contd.)

Sl. No.	Particulars	Description
		Product Development: Created high-performance materials tailored for lithium-ion batteries, positioning Himadri in next-gen energy markets. Innovated cleaner alternatives like HLSFO (High Low Sulphur Fuel Oil), reducing emissions for steel industry applications. Developed carbazole-based performance chemicals used in electronics and LEDs through pilot reactor R&D. **Import Substitution:** Produced strategic intermediates and materials domestically, reducing reliance on imports. Localization of technologies in steam systems, energy recovery, and carbon capture pilots supported self-sufficiency in critical utilities.
3.	**In case of imported technology**	The Company has not imported any technology during this financial year
4.	**Expenditure incurred on Research and Development**	Capital expenditure as well as recurring expenditure incurred from time to time during the year on laboratory items, tools, spares, handling equipment, trial run expenses and salaries of research personnel remain merged with various heads, as per established accounting policy and expenditures incurred during the year under review, on Research & Development are as follows: i) Capital expenditure: ₹ 342.11 Lakhs; ii) Revenue expenditure: ₹ 3,587.78 Lakhs; iii) Total Research & Development expenditure: ₹ 3,929,89 Lakhs; iv) Total R&D expenditure as a percentage of total turnover: 0.86%

C. Foreign Exchange Earnings and Outgo

Total foreign exchange used and earned during the year:

Amount in ₹ Lakhs

Particulars	FY 2024-25	FY 2023-24
Total foreign exchange outgo in terms of actual outflow	93,956.94	1,17,518.60
Total foreign exchange earned in terms of actual inflows	81,055.89	52,284.95

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Annexure VI

of the Board's Report

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto

a. Details of contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the related party and nature of relationship	There were no contracts or arrangements, or transactions entered into during the year ended 31 March 2025, which were not at arm's length basis.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

b. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	There were no material contracts or arrangements, or transactions entered into during the year ended 31 March 2025.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board	
(f) Amount paid as advances	

Note: The above disclosures on material transactions are based on the principle that transactions with wholly-owned subsidiaries are exempt for the purpose of Section 188 (1) of the Companies Act, 2013.

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Annexure VII

of the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1. Brief outline on CSR Policy of the Company:

Himadri as a conscientious corporate citizen, recognizes the corporate social responsibility to address some of India's most challenging issues relating to education, the health, equality and development of the weaker section of the society and always endeavors to contribute to the welfare and development of the society, in which it operates. The Company had adopted CSR Policy as recommended by the CSR Committee and duly approved by the Board of Directors, pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The scope of the Policy is given hereunder:

(i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;

(viii) contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

(ix) (a) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

(x) rural development projects;

(xi) slum area development;

Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities;

(xiii) such other projects or purposes as may be notified by the Government from time to time.

Annexure VII

of the Board's Report (Contd.)

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Gopal Ajay Malpani[1]	Chairman, Independent Director	2	2
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	2	1
3	Mr. Santimoy Dey* (upto 12 September 2024)	Chairman, Independent Director	2	2
4	Mr. Anurag Choudhary (w.e.f 12 September 2024)	Member, CMD & CEO	2	-

[1]Mr. Gopal Ajay Malpani was designated as Chairman of Corporate Social Responsibility Committee w.e.f 12 September 2024.

*Ceased to be an Independent Director w.e.f. the close of business hours on 12 September 2024

3. The web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee	https://www.himadri.com/home/uploads/govnce_report/others/1747135598_List_of_Committee_of_Directors_21.04.2025.pdf
CSR Policy:	https://www.himadri.com/home/uploads/govnce_report/code_policy/1747470214_Corporate_Social_Responsibility_Policy_10.02.2023.pdf
CSR Projects approved by the Board:	https://www.himadri.com/assets/imgs/HSCL-CSR-Project-Approved-by-Board.pdf

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

		Amount in ₹ Lakhs
5.	**(a) Average net profit of the company as per section 135(5)**	32,435.16
	(b) Two percent of average net profit of the company as per section 135(5)	648.70
	(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	245.64
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	**403.06**

		Amount in ₹ Lakhs
6.	**(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**	486.06
	(b) Amount spent in Administrative Overheads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Nil
	(d) Total amount spent for Financial Year [(a)+(b)+(c)]	**486.06**

Annexure VII

of the Board's Report (Contd.)

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

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
486.06	Not Applicable	-	Not Applicable	-	-

Details are also provided in Note 32 of the standalone financial statements.

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

Sl. No.	Name of Director	Amount in ₹ Lakhs
(i)	Two percent of average net profit of the Company as per section 135(5)	648.70
(ii)	Amount required to be set-off for the financial year	245.64
(iii)	Total amount spent for the Financial Year	486.06
(iv)	Excess amount spent for the financial year [(iii) +(ii)-(i)]	83.00
(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)]	83.00

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

Amount in ₹ Lakhs

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the Financial Year	Amount transferred to a Fund specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2021-22	331.21	102.80	102.80	-	-	-	-
2	2022-23	39.39	39.39	-	-	-	39.39	-
3	2023-24	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through CSR spent in the financial year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) of the Act: Not Applicable

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Gopal Ajay Malpani
Chairman – CSR Committee
Independent Director
(DIN: 02043728)

Place: Kolkata
Date: 21 April 2025

Annexure VIII

of the Board's Report

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') the details of compliance by the Company with the norms on Corporate Governance are as under:

1. Company's philosophy on Code of Governance:

Corporate Governance refers to a set of laws, regulations and good practices that enables an organization to perform its business efficiently and ethically to generate long-term wealth and create value for all its stakeholders. The Corporate Governance framework of the Company is based on an effective Independent Board of Directors, separation of the supervisory role of the Board of Directors from the executive management team and constitution of the committees of the Board of Directors, as required under applicable laws. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top-level executives, inducting competent professionals across the organization and putting in place appropriate systems, process, and technology. The philosophy of Corporate Governance in our organisation emphasises on highest levels of transparency, accountability, awareness, safety and equity across all business practices.

The Company has adopted various codes and policies that provides a structure within which Directors and the management can effectively pursue the Company's objectives. The Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development, which benefits all the stakeholders. The Company also aims to increase and sustain its corporate value through growth and innovation.

Your company ensures that it evolves and follows not just the stated Corporate Governance guidelines, but also global best practices. The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors of the Company have ultimate responsibility for the management, general affairs, direction, performance and long-term success of the business as a whole.

The Company conforms to the requirements of the Corporate Governance as stipulated in Part C of the Schedule V of the SEBI Listing Regulations that are implemented in a manner so as to achieve the objectives of the principles stated in the clause with respect to rights of shareholders, role of stakeholders in Corporate Governance, Disclosure and Transparency, responsibilities of the Board and other responsibilities prescribed under these regulations.

A Management Discussion and Analysis Report has been given as a separate Section forming part of the Annual Report.

2. Board of Directors ("Board"):

The Company recognizes and embraces the importance of a diverse board in its success and firmly believes that an active and well-informed Board with strong independent representation is necessary to ensure the highest level of corporate governance. The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the Company adheres to high standards of ethics, transparency and disclosure.

a) Composition of the Board:

The Company's Board represents an optimum combination of Executive and Non-Executive Directors which is in conformity with the Companies Act, 2013 ("hereinafter referred to as "Act") and the SEBI Listing Regulations.

As on 31 March 2025, the Board comprised of 6 (Six) Directors, out of which 3 (Three) Directors were Executive and 3 (Three) were Independent Directors including one Independent Woman Director. The members of the Board are from diverse background having expertise in the fields of management, economics, sustainability, finance & taxation, etc.

The composition of the Board is in conformity with Section 149 of the Act and Regulation 17 of SEBI Listing Regulations. The Company has passed special resolution for Executive Director who has attained the age of seventy years, in compliance with Section 196 of the Act.

Based on the declarations received from the Independent Directors, the Board has confirmed that all the Independent Directors of the Company satisfy the criteria/conditions of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they have also registered in the data bank of Independent Director and renewed their registrations as required under Rule 6(1)

Annexure VIII

of the Board's Report (Contd.)

and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Independent Directors of the Company have complied with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 by passing online proficiency self-assessment test or exempted therefrom as per the Rule. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or affect their ability to discharge their duties.

During the financial year 2024-25, Mr. Santimoy Dey (DIN: 06875452) ceased to be an Independent Director of the Company upon completion of his second and final term as an Independent Director and consequently ceased to be a Director of the Company w.e.f. the close of business hours on 23 September 2024.

b) Directorship(s), committee membership(s)/ chairmanship(s) and shareholding of directors:

In compliance with Regulation 17A of the SEBI Listing Regulations none of the Directors, including Independent Directors on the Board hold directorship in more than 7 (Seven) listed entities and none of the Executive Directors is an Independent Director in any listed Company.

Every Director on the Board, notifies the Company on an annual basis about the Board and the Committee positions which he/she occupies in other Companies and regularly updates any changes therein. The number of Directorship(s), Committee Membership(s)/ Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the SEBI Listing Regulations. For the purpose of determination of limit of chairpersonship and membership, the Audit Committee and the Stakeholders' Relationship Committee alone have been considered.

All the Directors possess requisite qualifications and experience in general corporate management, risk management, finance, marketing, legal and other allied fields, which enable them to contribute effectively to your Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board's decision-making process. Detailed profiles of the Directors are available on the Company's website at www.himadri.com.

c) Disclosure of Relationships between Directors inter-se:

Sl. No.	Name of the Director	Category	Relationship between Directors inter-se*
1	Mr. Anurag Choudhary	Promoter, Chairman cum Managing Director & Chief Executive Officer	• Son of Mr. Shyam Sundar Choudhary • Brother of Mr. Amit Choudhary
2	Mr. Shyam Sundar Choudhary	Promoter, Executive Director	• Father of Mr. Anurag Choudhary and Mr. Amit Choudhary
3	Mr. Amit Choudhary	Promoter, Executive Director	• Son of Mr. Shyam Sundar Choudhary • Brother of Mr. Anurag Choudhary
4	Mr. Girish Paman Vanvari	Independent Director	NA
5	Ms. Rita Bhattacharya	Independent Director	NA
6	Mr. Gopal Ajay Malpani	Independent Director	NA

*Relative as per Section 2(77) of the Act.

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

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of the Board's Report (Contd.)

d) Board procedure and access to information:

The Board of Directors is the apex decision making body of the Company and hence it is responsible to align its decisions and actions with the Company's interest. The Board is involved in all the important decisions relating to the Company including policy matters, strategic business plans, budgeting, new avenues of investment and expansion, compliance with statutory/ regulatory requirements, major accounting provisions, oversight of performance of the business etc.

The Company adheres to the provisions of the Act, Secretarial Standards and SEBI Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at least once in a quarter to review the quarterly business and the financial performance of the Company, apart from other businesses. The meetings are pre-scheduled based on the availability of the Director(s). All divisions/departments of the Company are advised to schedule their work plans well in advance, with regard to matters requiring discussion/approval/decision at the Board/Committee meetings. All such matters are communicated to the Company Secretary and Compliance Officer in advance so that the same can be included in the Agenda for the Board/Committee Meetings. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The Committees of the Board usually meet prior to meeting of the Board meeting, to ensure an update to the Board. There was no situation or matter where the Board has not accepted the recommendations of the Committees.

The agenda for the Board and Committee meetings includes all material information, detailed notes and support documents on the items to be discussed at the meeting. Matters in the nature of unpublished price sensitive information are circulated to the Board and committee members, at a shorter notice or are placed at the Meeting, as per the general consent taken from the Board/ Committee members in advance. The Board is free to take up any matter, apart from those included in the agenda, for consideration with the permission of the Chairman and with the consent of majority of the Directors present in the Meeting.

Options of attending the meeting(s) and the facility to participate in meeting(s) through video conferencing (VC) or by other audio-visual means (OAVM) is provided to Directors in every Board Meeting and Committee Meeting to the extent permissible.

The minutes of the Board Meetings are circulated in advance as per the requirement of SS-1 to all the Directors and confirmed at subsequent meeting. Draft minutes of the proceedings of the meetings are circulated in time and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The copy of the signed Minutes are made available to all the Directors.

The Minutes of the Meetings of the Committees of the Board are placed before the Board for its review. Also, the Minutes of the Board Meetings of the Subsidiary Companies are placed at the Board Meetings of the Company for its review. The Board periodically reviews the Compliance Report of all laws applicable to the Company. The Board is also provided with Audit Committee observations on the Internal audit findings and matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act.

Reports on decisions of the previous meetings are placed at the next meeting(s) for information and further recommended actions, if any.

e) Meetings of the Board of Directors:

During the financial year 2024-25, the Board met 7 (Seven) times, i.e., on 25 April 2024, 16 July 2024, 12 September 2024, 16 October 2024, 13 January 2025, 27 January 2025 and 29 March 2025. The maximum gap between two Board meetings held during the year was not more than 120 days.

Annexure VIII

of the Board's Report (Contd.)

f) Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the financial year 2024-25

The Board Meetings were held in compliance with the various provisions of the Act/SEBI Listing Regulations during the financial year 2024-25. The 36th AGM of the Company was held on 20 June 2024 through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

The attendance of the Directors at the Board Meetings and AGM held during financial year 2024-25 are as follows:

Sl. No.	Directors' Name & DIN	Category	Attendance at Board Meetings held during the year							Attendance at Board Meetings (%)	Attendance at the AGM held on 20 June 2024
			25 April 2024	16 July 2024	12 September 2024	16 October 2024	13 January 2025	27 January 2025	29 March 2025		
1	Mr. Anurag Choudhary (DIN: 00173934)	Promoter, Chairman cum Managing Director & Chief Executive Officer	✓	✓	✓	✓	✓	LOA	✓	86	✓
2	Mr. Shyam Sundar Choudhary (DIN: 00173732)	Promoter, Executive Director	✓	✓	✓	✓	LOA	LOA	✓	71	✓
3	Mr. Amit Choudhary (DIN: 00152358)	Promoter, Executive Director	✓	✓	✓	✓	✓	✓	✓	100	✓
4	Mr. Girish Paman Vanvari (DIN: 07376482)	Independent Director	✓	✓	✓	✓	✓	✓	✓	100	✓
5	Mr. Gopal Ajay Malpani (DIN: 02043728)	Independent Director	✓	✓	✓	✓	✓	✓	✓	100	✓
6	Ms. Rita Bhattacharya (DIN: 03157199)	Independent Director	✓	✓	✓	✓	✓	✓	✓	100	✓
7	Mr. Santimoy Dey[1] (DIN: 06875452)	Independent Director	✓	✓	✓	NA	NA	NA	NA	100	✓

[1]Mr. Santimoy Dey (DIN: 06875452) Independent Director has ceased to be an Independent Director upon completion of his second and final term and consequently ceased to be a Director of the Company w.e.f. the close of business hours on 23 September 2024.

Annexure VIII

of the Board's Report (Contd.)

g) The details of composition of the Board as at 31 March 2025, the number of Directorships, Committee Chairmanships and Memberships held by them in other Public Companies and number of shares and convertible instruments held by Directors, Directorship in other listed companies along with the category of directorship as on 31 March 2025 are given herein below:

Sl. No.	Directors' Name & DIN	Category	No of shares held	No of warrants held	Directorship in Public Companies*	No. of Committee position held in all Companies#		Directorship in other listed companies along with the category of directorship	
						As Member	As Chairman	Names of other listed entities	Category of directorship
1	Mr. Anurag Choudhary (DIN: 00173934)	Promoter, Chairman cum Managing Director & Chief Executive Officer	3,73,17,676	60,00,000	10	2	-	Himadri Credit & Finance Limited	Promoter, Managing Director
2	Mr. Shyam Sundar Choudhary (DIN: 00173732	Promoter, Executive Director	82,50,000	-	10	1	-	-	-
3	Mr. Amit Choudhary (DIN: 00152358)	Promoter, Executive Director	1,37,50,000	40,00,000	10	2	-	Himadri Credit & Finance Limited	Promoter, Non-Executive Director
4	Mr. Girish Paman Vanvari (DIN: 07376482)	Independent Director	-	-	7	8	5	1. Aurobindo Pharma Ltd; 2. Tarsons Products Ltd; 3. Rategain Travel Technologies Ltd; 4. Kolte-Patil Developers Limited 5. Blue Jet Healthcare Limited	Independent Director
5	Mr. Gopal Ajay Malpani (DIN: 02043728)	Independent Director	-	-	2	4	1	MPL Plastics Limited	Independent Director
6	Ms. Rita Bhattacharya (DIN: 03157199)	Independent Director	-	-	1	1	-	-	-

*Directorship in Public Companies includes listed as well as reporting entity.

Pursuant to Regulation 26 of the SEBI Listing Regulations, Memberships of only Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (including Himadri Speciality Chemical Ltd) have been considered and Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all Listed Public Limited Companies (including Himadri Speciality Chemical Ltd) have been considered.

Notes:

(i) The Directorships/Committee Memberships are based on the latest disclosures received by the Company.

(ii) Mr. Santimoy Dey (DIN: 06875452) Independent Director has ceased to be an Independent Director upon completion of his second and final term and consequently ceased to be a Director of the Company w.e.f. the close of business hours on 23 September 2024.

(iii) The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within the limits as prescribed under the Act and the SEBI Listing Regulations.

Annexure VIII

of the Board's Report (Contd.)

h) **Separate Meeting of Independent Directors:**

Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in a financial year, without the attendance of Non-Independent Directors and members of the management. During the financial year 2024-25, 2 (Two) separate meetings of Independent Directors were held on 10 January 2025 and 25 March 2025 without the presence of the Non-Independent Directors and the members of the Management. The Independent Directors discussed on the matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole including the Chairperson of the Company (considering the views of the Executive Directors), assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board, so that the Board can effectively and reasonably perform its duties.

i) **Performance Evaluation:**

Pursuant to the provisions of the Act and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI Listing Regulations, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board. The Board carried out an annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.

A structured questionnaire was prepared after taking into consideration input received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The Directors have expressed their satisfaction with the evaluation process.

j) **Formal Letter of Appointment to the Independent Directors:**

Independent Directors play a significant role in the governance processes of the Board by enriching the Board's decision making. The Company has appointed Independent Directors as per the requirements of the Act and SEBI Listing Regulations. On the basis of declaration as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board, in terms of Regulation 25(9) of the SEBI Listing Regulations, the Board is of the opinion that all the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. None of the Independent Directors is aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. The number of Directorship of all the Independent Directors is within the respective limits prescribed under the Act and SEBI Listing Regulations. All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

No Independent Directors were appointed/ re-appointed during the financial year 2024-25. The Company has issued appointment/ re-appointment letters as per provisions of Schedule IV of the Act to the Independent Directors on their appointment/re-appointment containing the detailed terms and conditions of their appointment/re-appointment, role,

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duties and liabilities, evaluation process, code of conduct, etc. The letter of appointment/ re-appointment issued to the Independent Directors has been posted on the Company's website at https://www.himadri.com/home/corporate_governance_report

k) Familiarisation Programme for Independent Directors:

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2024-25, the Company imparted familiarization programme for Independent Directors to familiarize them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, review of investments of the Company, business model of the Company, Prohibition of Insider Trading Regulations, SEBI Listing Regulations, etc. The details of the familiarisation programme are available on the website of the Company at https://www.himadri.com/home/corporate_governance_report

Further, in the opinion of the Board, all the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

l) Codes and Policies:

The Board has adopted all applicable codes and policies as per the requirements of the Act, SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at https://www.himadri.com/home/corporate_governance_report and references thereof have been given elsewhere in this Annual Report.

m) Code of Conduct for all Directors and Senior Management Personnel:

Regulation 17(5) of the SEBI Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. Further, Schedule IV of the Act requires the appointment of the Independent Director to be formalised through a letter of appointment, which shall set out the Code for business ethics that the Company expects its Directors and Senior Management to follow. The said Schedule also requires the Independent Directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

In terms of the above, there exists a Code of Conduct for all the Board Members and Senior Management of the Company. The Board of Directors has laid down a separate Code for the Independent Directors of the Company. The aforesaid Codes are available on the Company's website at www.himadri.com. All Directors and Senior Management Personnel of the Company as of 31 March 2025 have individually affirmed compliance with the said Codes in terms of Regulation 26 of the SEBI Listing Regulations. A declaration signed by the Chairman cum Managing Director & Chief Executive Officer to this effect is enclosed at the end of this Report as **Annexure I**. The Code of Conduct for the Independent Directors is in line with the provisions of Section 149(8) and Schedule IV of the Act and contains brief guidance for professional conduct by the Independent Directors.

- **Code of Conduct to regulate, monitor and report trading by Designated Persons, and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has formulated the Code of Conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with these Regulations and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to ensure timely and adequate disclosure of price sensitive information to the Stock Exchange(s) by the Company to enable the investor community to take informed investment decisions with regard to the Company's securities.

n) Brief Note on the Director seeking appointment and re-appointment at the 37th AGM:

As required under Regulation 36(3) of the SEBI Listing Regulations, the Company has furnished information relating to the Directors seeking appointment and re-appointment in the Notice convening the 37th AGM. Shareholders may kindly refer to the same. The names of the companies in which the Director holds directorships and the details of membership of committees of the Board are given separately in the Notice convening the 37th AGM.

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o) List of core skills/expertise/competencies identified by the Board of Directors:

The Board has identified the below-mentioned core skills/expertise/competencies as required by the Company in the context of its business(es) and sectors(s) for it to function effectively and those available with Board.

Sl. No.	Skills / Expertise / Competencies required by the Board of Directors	
1	**Understanding of Business/Industry**	Experience and knowledge of the area of operation and associated businesses.
2	**Strategy and strategic planning**	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.
3	**Critical and innovative thoughts**	The ability to critically analyse the information and develop innovative approaches and solutions to the problems.
4	**Financial understanding**	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.
5	**Market understanding**	Understanding of Market.
6	**Risk and compliance oversight**	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.

The table below expresses the specific areas of focus or expertise of individual Board members:

Name of director	Understanding of Business/ Industry	Strategy and strategic planning	Critical and innovative thoughts	Financial understanding	Market understanding	Risk and compliance oversight
Mr. Anurag Choudhary	✓	✓	✓	✓	✓	✓
Mr. Shyam Sundar Choudhary	✓			✓	✓	✓
Mr. Amit Choudhary	✓	✓	✓	✓	✓	✓
Ms. Rita Bhattacharya		✓		✓		✓
Mr. Girish Paman Vanvari	✓	✓	✓	✓		✓
Mr. Gopal Ajay Malpani	✓			✓		✓

p) Committees of Board:

The Board has constituted various committees as mandated under Chapter IV of the SEBI Listing Regulations to function in specific areas and to take informed decisions within delegated powers. Each Committee exercises its functions within the scope and area as defined in its constitution guidelines. The Company Secretary & Compliance Officer acts as the Secretary to all the Committees of the Board. These Committees are constituted in conformity of the SEBI Listing Regulations and the Act and are mentioned as follows:

- Audit Committee;
- Nomination and Remuneration Committee;
- Risk Management Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee ("CSR Committee");

q) Other Board Committees:

The Board, in addition to the mandatory Committees under Chapter IV of the SEBI Listing Regulations has constituted various other committees namely:

- Environment, Social and Governance Committee ("ESG Committee");
- Share Transfer Committee;
- Finance and Management Committee;
- Strategy & Investment Committee;
- Internal Complaint Committee;
- Commodity Committee;
- Share Issue & Allotment Committee;
- Project Committee

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3. Audit Committee:

a. Composition, Meetings and Attendance:

The composition of the Audit Committee is in accordance with the provisions of the Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. As on 31 March 2025, the Audit Committee comprises of 3 (Three) Independent Directors. Mr. Girish Paman Vanvari, Chairman of the Committee is an Independent Director with decades of experience in Corporate Law, Accounting and Taxation. All the members of the Audit Committee are financially literate with the majority having accounting or related financial management expertise and the composition of the Committee complies with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

The Statutory Auditors, Internal Auditors and Chief Financial Officer (CFO) are invited to attend meetings of the Audit Committee. The Executive Directors and Key Managerial Personnels are also invited from time to time as required by the Chairman upon necessity of agenda items. The Company Secretary & Compliance Officer acts as the Secretary to the Audit Committee.

During the financial year 2024-25, the Audit Committee met 7 (Seven) times in compliance with the various provisions of the Act / SEBI Listing Regulations, i.e., 25 April 2024, 16 July 2024, 12 September 2024, 16 October 2024, 13 January 2025, 27 January 2025 and 29 March 2025.

The Committee, in its meetings inter alia reviews the results of operation and the statement of related party transactions submitted by management. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board. The Chairman of the Audit Committee attended the last Annual General Meeting of the Company.

The composition of the Audit Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting							Attendance at Meetings (%)
			25 April 2024	16 July 2024	12 September 2024	16 October 2024	13 January 2025	27 January 2025	29 March 2025	
1	Mr. Girish Paman Vanvari	Chairman, Independent Director	✓	✓	✓	✓	✓	✓	✓	100
2	Mr. Gopal Ajay Malpani	Member, Independent Director	✓	✓	✓	✓	✓	✓	✓	100
3	Ms, Rita Bhattacharya (w.e.f 12 September 2024)	Member, Independent Director	NA	NA	NA	✓	✓	✓	✓	100
4	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director	✓	✓	✓	NA	NA	NA	NA	100
5	Mr. Anurag Choudhary (upto 12 September 2024)	Member, CMD & CEO	✓	✓	LOA	NA	NA	NA	NA	67

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b. **Terms of reference:**

The present terms of reference of the Audit Committee are aligned as per the provisions of Section 177 of the Act and include the roles as laid out in Part C of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Audit Committee are in conformity with the Act and the SEBI Listing Regulations and the same are as follows:

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

b) Changes, if any, in accounting policies and practices and reasons for the same;

c) Major accounting entries involving estimates based on the exercise of judgment by management;

d) Significant adjustments made in the financial statements arising out of audit findings;

e) Compliance with listing and other legal requirements relating to financial statements;

f) Disclosure of any related party transactions;

g) Modified opinion(s) in the draft audit report;

(v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(viii) Approval or any subsequent modification of transactions of the Company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the Company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) Discussion with internal auditors of any significant findings and follow up there on;

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xvii) To look into the reasons for substantial defaults in the payment to the depositors,

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debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xviii) To review the functioning of the Whistle Blower Mechanism;

(xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

(xx) Carrying out any other function as mentioned in the terms of reference of the Audit Committee;

(xxi) Reviewing the utilization of loans/and or advances from/investment by the holding Company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date of coming into force of this provision;

(xxii) Review the utilization of loan, advance and Investments by holding Company in the subsidiary;

(xxiii) Review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015, at least once in a financial year and shall verify that the systems of Internal Control are adequate and operating effectively;

(xxiv) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

As stipulated, in Part C of Schedule II of SEBI Listing Regulations, the Audit Committee also reviews management discussion and analysis of financial performance, statement of significant related party transactions submitted by management and Internal Audit Reports relating to internal control weaknesses and appointment/removal and terms of remuneration of Internal Auditor.

The Audit Committee may also review such matters as considered appropriate by it or referred to the Committee by the Board.

4. Nomination and Remuneration Committee:

a. Composition, Meetings and Attendance:

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act as well as in terms of Regulation 19 of the SEBI Listing Regulations comprising of the requisite number of Independent Directors. Mr. Gopal Ajay Malpani, the Independent Director is the Chairman of the Committee. The Company Secretary & Complaince Officer acts as the Secretary to the Nomination and Remuneration Committee.

The Committee met 4 (Four) times during the year in compliance with the various provisions of the Act / SEBI Listing Regulations. i.e., on 23 April 2024, 29 August 2024, 10 January 2025 and 27 January 2025.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting				Attendance at Meetings (%)
			23 April 2024	29 August 2024	10 January 2025	27 January 2025	
1	Mr. Gopal Ajay Malpani[1]	Chairman, Independent Director	✓	✓	✓	✓	100
2	Mr. Girish Paman Vanvari	Member, Independent Director	✓	✓	✓	✓	100
3	Ms, Rita Bhattacharya (w.e.f 12 September 2024)	Member, Independent Director	NA	NA	✓	✓	100
4	Mr. Santimoy Dey (upto 12 September 2024)	Chairman, Independent Director	✓	✓	NA	NA	100

[1]Mr. Gopal Ajay Malpani was designated as Chairman of Nomination & Remuneration Committee w.e.f 12 September 2024.

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b. Terms of Reference:

The present terms of reference of the Nomination and Remuneration Committee are aligned as per the provisions of Section 178 of the Act and include the roles as laid out in Part D Para (A) of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Nomination and Remuneration Committee in line with the Act and the SEBI Listing Regulations are as follows:

(i) Formulation of the criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel, and other employees;

(ii) Formulation of criteria for evaluation of performance of Independent Directors and the Board and its Committees;

(iii) Devising a policy on diversity of Board of Directors;

(iv) Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;

(v) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

(vi) Review the performance and recommend to the Board, all remuneration in whatever form, payable to the senior management;

(vii) For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

The Nomination & Remuneration Committee also administers the Himadri Employee Stock Option Scheme which was approved by the shareholders at the AGM of the Company held on 24 September 2016.

c. Remuneration Policy:

The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company. This Policy is available in the Company's website at https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf

d. Criteria for Performance Evaluation of Independent Directors:

The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Non- Executive Directors. The criteria are enumerated as below:

a. Qualifications: Details of professional qualifications of the Independent Director.

b. Experience: Details of prior experience of the Independent Director, especially the experience relevant to the entity.

c. Knowledge and Competency of the Independent Director.

d. How the Independent Director fares across different competencies as identified for effective functioning of the entity and the Board.

e. Whether the Independent Director has sufficient understanding and knowledge of the entity and the sector in which it operates.

f. Fulfilment of functions: Whether the Independent Director understands and fulfils the functions as assigned to him/her by the Board and the law (e.g. Law imposes certain obligations on Independent Directors).

g. Ability to function as a team: Whether the Independent Director is able to function as an effective team- member.

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h. Initiative: Whether the Independent Director actively takes initiative with respect to various areas.

i. Availability and attendance: Whether the Independent Director is available for meetings of the Board and attends the meeting regularly and timely, without delay.

j. Commitment: Whether the Independent Director is adequately committed to the Board and the entity.

k. Contribution: Whether the Independent Director contributed effectively to the entity and in the Board meetings.

l. Integrity: Whether the Independent Director demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.).

m. Independence: Whether Independent Director is independent from the entity and the other directors and there is no conflict of interest.

n. Independent views and judgement: Whether the Independent Director exercises his/ her own judgement and voices opinion freely.

e. Remuneration to Directors and Disclosures:

a) Details of remuneration paid / payable to the Directors for the year ended 31 March 2025 and their shareholding as on that date is as under:

Amount in ₹ Lakhs

Names of the Directors	Salary (₹)	Perquisites (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Stock Option	Pension (₹)	Total (₹)	Service Contract/ Notice period/ Severance Fees	Shareholding (Equity No.)
Mr. Shyam Sundar Choudhary	300.00	0.68	-	-	-	-	-	300.68	Period of Appointment: 5 years (from 01 April 2020 to 31 March 2025) and liable to retire by rotation.	82,50,000
Mr. Anurag Choudhary	381.59	36.69	-	-	-	-	-	418.28	Period of Appointment: 5 years (from 14 August 2024 to13 August 2029) and liable to retire by rotation.	3,73,17,676
Mr. Amit Choudhary	331.59	31.47	-	-	-	-	-	363.06	Period of Appointment: 5 years (from 14 August 2024 to13 August 2029) and liable to retire by rotation.	1,37,50,000
Ms. Rita Bhattacharya	-	-	-	-	7.00	-	-	7.00	Appointed as Independent Woman Director up to 10 August 2027	-
Mr. Girish Paman Vanvari	-	-	-	-	9.00	-	-	9.00	Appointed as Independent Director up to 21 June 2026	-

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Amount in ₹ Lakhs

Names of the Directors	Salary (₹)	Perquisites (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Stock Option	Pension (₹)	Total (₹)	Service Contract/ Notice period/ Severance Fees	Shareholding (Equity No.)
Mr. Gopal Ajay Malpani	-	-	-	-	11.25	-	-	11.25	Appointed as Independent Director up to 12 August 2026	-
Mr. Santimoy Dey (upto 23 September 2024)	-	-	-	-	6.25	-	-	6.25	Re-appointed as Independent Director up to 23 September 2024.	-

Note:

(i) The appointment of Executive Directors, Key Managerial Personnel, the management and other employees is by virtue of their employment with the Company and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies of the Company at the relevant point in time.

(ii) All other pecuniary transactions of the non-executive directors during financial year 2024-25 are provided in the accompanying financial statements.

(iii) Mr. Shyam Sundar Choudhary has been re-appointed as Whole-time Director for a further period of three years w.e.f 01 April 2025, subject to approval of shareholders.

b) Details of fixed components and performance linked incentives along with the Performance Criteria:

Remuneration of the Chairman and the other Executive Directors is determined by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the approval of the Shareholders. The Chairman and the other Executive Directors are entitled to Performance linked remuneration not exceeding 40% of Salary, payable annually for each financial year, as may be determined by the Board.

c) Stock options details, if any and whether issued at discount as well as the period over which accrued and over which exercisable:

The Company has not issued any stock options to the Directors of the Company.

d) Criteria of making payments to Non-Executive Directors:

Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and its Committees. The criteria for making payments to Non-Executive Directors is placed on the website of the Company at www.himadri.com.

5. Risk Management Committee:

a. Composition, Meetings and Attendance:

Risk Management is crucial to achieve the Company's objective of strengthening its financial position, safeguarding the interests of stakeholders, enhancing its ability to continue as a going concern and maintain consistent sustainable growth.

The Company has a Risk Management Committee for framing, implementing, and monitoring the Risk Management Policy of the Company, pursuant to Regulation 21 of SEBI Listing Regulations.

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During the financial year 2024-25, the Risk Management Committee met on 12 August 2024 and 06 December 2024. The composition of the Risk Management Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting		
			12 August 2024	06 December 2024	Attendance at Meetings (%)
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director	✓	LOA	50
2	Mr. Anurag Choudhary	Member, CMD & CEO	✓	✓	100
3	Mr. Kamlesh Kumar Agarwal	Member, Chief Financial Officer	✓	✓	100
4	Mr. Somesh Satnalika	Member, Executive Vice President, Tyre and Strategy	✓	✓	100
5	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director	✓	NA	100
6	Mr. Gopal Ajay Malpani (w.e.f 12 September 2024)	Member, Independent Director	NA	LOA	-

b. Terms of reference:

(i) To formulate a detailed risk management policy which shall include:

a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

b) Measures for risk mitigation including systems and processes for internal control of identified risks;

c) Business Continuity Plan;

(ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(v) To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken;

(vi) The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(vii) To assist the Board with regard to the identification, evaluation, classification and mitigation of non-financial risks and assess management actions to mitigate such risks;

(viii) To evaluate and ensure that the Company has an effective internal control systems to enable identifying, mitigating and monitoring the non-financial risks to the business of the Company;

(ix) To implement proper internal checks and balances and review the same periodically;

(x) To put in place mechanism for ensuring cyber security;

(xi) To ensure the implementation of the suggestions/remarks/comments of the Board of Directors on the Risk Management Plan;

(xii) To monitor and review the performance of the non-financial Risk Owners;

(xiii) To review effectiveness of risk management and control system;

(xiv) Periodic reporting to the Board of non-financial risk management issues and actions taken in such regard;

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(xv) Co-ordinate its activities with the Audit Committee in instances where there is any overlap in their duties and responsibilities;

(xvi) To do all other acts which incidental to the risk associated with the business of the Company;

6. Stakeholders' Relationship Committee:

a. Composition, Meetings and Attendance:

The Stakeholders' Relationship Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Act as well as in terms of Regulation 20 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

Mr. Gopal Ajay Malpani, the Independent Director is the Chairman of the Committee. Ms. Monika Saraswat, Company Secretary and Compliance Officer acts as Secretary of the Committee.

The Committee reviewed the status of Investors' Complaints periodically relating to transmission of shares, issue of duplicate shares, and non-receipt of dividend, among others. During the year, the Committee met 3 (Three) times i.e., on 29 June 2024, 19 November 2024 and 27 March 2025.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting			
			29 June 2024	19 November 2024	27 March 2025	Attendance at Meetings (%)
1	Mr. Gopal Ajay Malpani[1]	Chairman, Independent Director	LOA	✓	✓	67
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	✓	✓	✓	100
3	Mr. Santimoy Dey (upto 12 September 2024)	Chairman, Independent Director	✓	NA	NA	100
4	Mr. Amit Choudhary (w.e.f 12 September 2024)	Member, Executive Director	NA	✓	LOA	50

[1]Mr. Gopal Ajay Malpani was designated as Chairman of Stakeholders' Relationship Committee Committee w.e.f. 12 September 2024.

b. Terms of reference:

(i) To resolve the grievances of the Security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;

(ii) To review measures taken for effective exercise of voting rights by shareholders;

(iii) To review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent;

(iv) To review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(v) Such other matters as per the directions of the Board of Directors of the Company, which may be considered necessary in relation to shareholders and investors of the Company;

(vi) Functions of the Committee as provided in Schedule II, Part "D", Para "B" read with Regulation 20(4) of the SEBI Listing Regulations.

c. Name and Designation of Compliance Officer:

Ms. Monika Saraswat, Company Secretary, has been designated as Compliance Officer in terms of Regulation 6(1) (a) of the SEBI Listing Regulations. The shareholders may send their complaints directly to the Company Secretary, Himadri Speciality Chemical Ltd, 23A, Netaji Subhas Road, 8th Floor, Suite No 15, Kolkata - 700 001 or may email at: investors@himadri.com. Those Members who desire to contact us over telephone may do so at 033-2230 9953 / 4363.

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d. **Status of Investors' Grievances:**

There were 3 complaints pending at the beginning of the year, during the financial year 2024-25, a total of 415 complaints were received from investors and 415 complaints were resolved satisfactorily and there were 3 complaints pending at the end of the financial year.

The Company regularly updates the status of Investors Complaints on "SCORES", an online portal introduced by SEBI for resolving investor's complaints. There were no investors' complaints pending at the end of the financial year on SCORES.

7. Corporate Social Responsibility Committee ("CSR Committee"):

a. **Composition, Meetings and Attendance:**

The Company in terms of Section 135(1) of the Act has constituted a Corporate Social Responsibility Committee comprising of 3 (Three) members. The Committee comprises of Mr. Gopal Ajay Malpani, as the Chairman.

During the financial year 2024-25, the Committee met 2 (Two) times on 23 April 2024 and 16 July 2024. The CSR Policy of your Company is available on the Company's website at www.himadri.com.

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by each of the members are given below:

Sl. No.	Name of members	Position and Category	Attendance of Committee meeting		
			23 April 2024	16 July 2024	Attendance at Meetings (%)
1	Mr. Gopal Ajay Malpani[1]	Chairman, Independent Director	✓	✓	100
2	Mr. Shyam Sundar Choudhary	Member, Executive Director	✓	LOA	50
3	Mr. Santimoy Dey (upto 12 September 2024)	Chairman, Independent Director	✓	✓	100
4	Mr. Amit Choudhary (w.e.f 12 September 2024)	Member, Executive Director	NA	NA	NA

[1]Mr. Gopal Ajay Malpani was designated as Chairman of Corporate Social Responsibility Committee w.e.f. 12 September 2024.

b. **Terms of reference:**

(i) Recommend to the Board, a CSR Policy (and modifications thereto from time to time) which shall provide an approach and the guiding principles for selection, implementation, and monitoring of CSR activities to be undertaken by the Company;

(ii) Approve and recommend Annual Action Plan, and any modifications thereof, to the Board comprising of following information;

a). the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

b). the manner of execution of such projects or programmes;

c). the modalities of utilisation of funds and implementation schedules for the projects or programmes;

d). monitoring and reporting mechanism for the projects or programmes; and

e). details of need of impact assessment, if any, for the projects undertaken by the company;

(iii) Approve specific projects, either new or ongoing, in pursuance of the Areas of Interest outlined in CSR Policy, either for undertaking such projects by the Company itself, for inclusion in the annual action plan or for supporting such projects by way of contributions or financial assistance;

(iv) Recommend to the Board, the amount of expenditure to be incurred on the CSR activities in a financial year and the amount

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to be transferred in case of ongoing projects and unspent amounts.

(v) Review the progress of CSR initiatives undertaken by the Company;

(vi) Monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects referred to above;

(vii) Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and certificate submitted by the Chief Financial Officer;

(viii) Review and recommend to the Board, the impact assessment report obtained by the Company from time to time;

(ix) Undertake such activities and carry out such functions as may be provided under section 135 of the Act and the Rules;

8. Environment, Social and Governance Committee ("ESG Committee"):

In terms of Regulation 34 of the SEBI Listing Regulations, the Annual Report of top 1000 Companies as per market capitalisation shall contain Business Responsibility and Sustainability Report (BRSR) describing the initiatives taken by the Company from an Environmental, Social and Governance perspective, in the format as specified by SEBI. Accordingly, the BRSR containing the general information about the Company, financial details of the Company, principle-wise performance etc. forms part of this Annual Report.

The Company has constituted the Environment, Social and Governance Committee ("ESG Committee") comprising of the below members:

Sl. No.	Name of members	Position and Category
1	Mr. Anurag Choudhary	Chairman, CMD & CEO
2	Mr. Amit Choudhary	Member, Executive Director
3	Mr. Gopal Ajay Malpani (w.e.f 12 September 2024)	Member, Independent Director
4	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director

During the financial year 2024-25, the ESG Committee met on 25 April 2024 and 05 March 2025.

Terms of reference:

(i) To assist the Board in meeting its responsibilities in relation to the Environmental, Social and Governance (ESG) matters arising out of the activities and operations of the Company and its subsidiary companies (the Group) for aiming towards enhanced sustainable development.

(ii) Sustainable development is a pattern of development through which the business is able to identify the pertaining ESG risks beyond just financials, which, in turn, guides the strategic actions of the business to meet the needs of the present without compromising the ability of future generations to meet their own needs;

(iii) Review Group policies, Standards, Guidelines, and action plans regarding the sustainable development of the Company's projects and operations, comprising social, economic and environmental responsibility in the regions where the Group operates;

(iv) Review targets for ESG performance and report to the Board with respect to their appropriateness, time- horizons, and ambition and assess progress towards achieving those targets;

(v) Seek updates on the management of material ESG issues from the respective functional and business heads;

(vi) Review and report to the Board the performance of the Company with respect to the implementation of ESG Management Systems designed to ensure that the commitments made in the policy are being met and that sustainability and reputational related risks are being assessed, controlled and managed effectively. This includes existing HSE & Sustainability topics such as climate, safety, indigenous and human rights as well as emerging risk areas;

(vii) Review the political contributions made by the Company;

(viii) Seek updates on how ESG is being institutionalized across all levels of the organization;

(ix) Recommend, when appropriate, amendments to the Sustainability & ESG policies or management systems;

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(x) Review the methods of communicating Company's sustainability performance, including approving the Sustainability Report and the ESG, and BRSR sections published in the Annual Report prior to publication as deem fit;

(xi) Advise the Board on the aspects of diversity (including but not limited to: gender, qualifications, representation, etc.) that need to constitute the leadership committees (including the Board) of the organization in order to drive an ESG culture across all aspects of decision-making;

(xii) Advise the Board to enable it to discharge its responsibilities, having regard to the law and the expected international standards of sustainability & governance;

(xiii) Review public and media reports in relation to the Health, Safety, Environment and Sustainability performance;

(xiv) Reviews sustainability related risks;

(xv) Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee shall deem appropriate;

(xvi) Monitor the preparation of BRSR Reporting in the format as prescribed by the SEBI.

9. Share Transfer Committee:

The Company has constituted Share Transfer Committee to approve transmission of shares, consolidation /sub-division of shares/ re-materialization and other related matters. The Committee has been constituted with the following members

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Gopal Ajay Malpani (w.e.f 12 September 2024)	Member, Independent Director
4	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director

The Committee holds periodical meetings and co-ordinates with Company's Registrar & Share Transfer Agent. The Company confirms that all requests for de-materialization of shares as on that date were confirmed / rejected into the NSDL / CDSL system.

During the financial year 2024-25, the Committee met 2 (two) times.

10. Finance and Management Committee:

The Finance and Management Committee comprising of the following members:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Amit Choudhary	Member, Executive Director

During the financial year 2024-25, the Committee met 19 (Nineteen) times.

Terms of reference:

The terms of reference of Finance and Management Committee include the following:

(i) To get working capital finance (both Fund based and Non-fund based) either secured or unsecured by means of fresh sanction, renewal, takeover and switch over from one Bank to another Bank or from any financial institution up to an aggregate amount of ₹ 3,000 Crores and do all acts as delegated by the Board from time to time;

(ii) To open/closure of Banking Accounts;

(iii) To arrange finance from Bank and Financial institutions;

(iv) To sign and execute necessary documents with Banks / Financial Institutions;

(v) To create mortgage / charge including modification and satisfaction, if any in favour of various banks / Financial Institutions for securing the credit facilities as may be sanctioned to the Company from time to time;

(vi) To deal with managing the day to day affairs of the Company including grant of authority to officials in this regard;

(vii) To avail of factoring facility from any other Bank & Financial Institution;

(viii) To obtained higher purchase loan / vehicle loan;

(ix) To initiated legal action on behalf of the Company against any party and to defend the

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Company in any legal proceedings including grant of authority to deal with such matters;

(x) To file various e-firm with MCA (Registrar of Companies);

(xi) To avail of Commercial Card facility as a part of working Capital limit sanction to the Company by any bank;

(xii) To sell or dispose of old and obsolete movable office equipment, computer accessories, printers, including motor cars and commercial vehicles for value not exceeding Rupees Two Lakhs of each such items;

(xiii) To let-out office premises with or without consideration to its' group companies for official purposes;

(xiv) To deal with all types of current investments in day to day business activities;

(xv) To raise fund in form of Commercial Paper to amount not exceeding ₹ 300 Crores;

(xvi) To apply for listing of Commercial Paper at the Stock exchange;

(xvii) To invest fund of the Company including mutual fund not exceeding ₹ 1,000 Crores.

(xviii) To borrow money from time to time for long term purpose of the Company upto an aggregate amount not exceeding ₹ 1,000 Crores.

(xix) To grant corporate guarantee upto an aggregate amount of ₹ 1,000 Crores.

(xx) To grant loan and provide security upto an aggregate amount of ₹ 1,000 Crores;

(xxi) To deal with any other matter which are incidental to the aforesaid.

(xxii) the Committee shall exercise all such powers in ordinary course of business, subject to other compliances under applicable laws which are not otherwise restricted in the provisions of Section 179 of the Act.

11. Strategy & Investment Committee:

The Strategy & Investment Committee comprises of the following members of the Board:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Gopal Ajay Malpani	Member, Independent Director
3	Mr. Anurag Choudhary	Member, CMD & CEO
4	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director

During the financial year 2024-25, the Committee met 5 (Five) times.

Terms of reference:

The terms of reference of Strategy & Investment Committee include the following:

(i) To focus on the evaluation of the Company's strategic plans and to evaluate the Company's capital deployment in the context of the Company's Corporate Strategy;

(ii) To review and approve the proposals for acquisition of potential targets for deploying capital of the Company not exceeding ₹ 2,000 Crores for expanding the installed manufacturing capacity or acquisitions resulting in forward and backward integration in manufacturing process of the Company. The Committee upon review, shall place such proposals exceeding ₹ 2,000 Crores along with its analysis before the Board for its consideration and approval;

(iii) To review and approve strategic investments by the Company not exceeding ₹ 500 Crores in line with the overall Corporate Strategy of the Company;

(iv) To assist the Board in fulfilling its oversight responsibilities relating to long term strategy of the Company, risks and opportunities relating to such strategy and strategic decisions regarding investments and acquisitions by the Company;

(v) To monitor the Company's progress against strategic goals and provide feedback and advice on merger and acquisition strategy, capital strategy, market capabilities and resource requirements;

(vi) To review individual transactions, including potential investments, asset sales, proposed equity and/or debt offerings, or other transactions;

(vii) To deal with all merger and restructuring proposals in capacity of creditor/ shareholder

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of the entities participating in merger or restructuring process and the Committee shall make decisions and resolutions and would exercise all powers of the Board for such matters;

(viii) To discuss with the Senior Management Personnel and General Counsel or outside Counsel any matters that could reasonably be expected to have a material impact on the Company's long term strategies;

(ix) To review and approve the proposals for acquiring Corporate Debtors undergoing the corporate insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 or any other law and to invest funds of the Company not exceeding ₹ 1,000 Crores for such acquisition subject to the approval of the Committee of Creditors of the Corporate Debtor, and the Adjudicating Authority, and delegate authority to sign the expression of interest ("EOI"), undertakings and other supporting documents for submission to the Interim Resolution Professional ("IRP") or the Resolution Professional ("RP") in the matter of corporate insolvency resolution process;

(x) To review and approve the Resolution Plan to be submitted under the provisions of the Insolvency and Bankruptcy Code, 2016 or any other law and delegate authority to execute and submit the Resolution Plan and other requisite documents, and execute all other agreements, deeds, forms, writings, affidavits and power of attorney as may be required in relation to the corporate insolvency resolution process including submission of necessary clarifications or information in relation to the Resolution Plan, negotiate the terms and conditions of the Resolution Plan, with the members of Committee of Creditors of Corporate Debtors constituted under the Insolvency and Bankruptcy Code, 2016;

(xi) To review and approve any modifications to the Resolution Plan already submitted and give effect to any modification by submission of the revised Resolution Plan pursuant to the negotiations with the members of the Committee of Creditors of Corporate Debtors;

(xii) To deal with any other matter which are incidental to corporate insolvency resolution process of Corporate Debtors under the Insolvency and Bankruptcy Code, 2016 or any other law;

(xiii) To deal with all such powers as delegated by the Board from time to time;

12. Internal Complaint Committee:

The Company has an Internal Complaint Committee constituted in terms of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), which is re-constituted from time to time. The Committee has been constituted with the following members:

- Ms. Monika Saraswat, Presiding Officer
- Ms. Nivedita Roy, Member
- Ms. Sreerupa Kundu Ghosh, Member- Legal
- Dr. P S Bandopadhyay, Independent Consultant

Terms of reference

The terms of reference of Internal Complaint Committee include the following:

(i) The Committee shall act in accordance with the provisions of the POSH Act and Rules (including any statutory modifications, alteration or re-enactment thereon for the time being in force) made there under including the service rules, if any made applicable on the employee of the Company;

(ii) The Committee shall follow the service rules while dealing with the complaints in case the complaints is against the employee of the Company and deal with the matter keeping in view the principal of natural justice;

(iii) The Committee shall maintain all records relating to Complaints received and their redressal;

(iv) The Committee shall hold such meetings as may be required from time to time for redressal of the Complaints made under the provisions of the POSH Act;

(v) The Committee shall ensure to maintain high degree of confidentiality with regards to the aggrieved person as well as the respondent;

(vi) The Committee shall organise such number of workshops or awareness programme from time to time for educating the employees of the Company in this regard;

(vii) The Committee shall prepare an Annual Report ending 31 December each year in terms of Section 21 of the POSH Act read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 containing the following details:

a) Number of complaints of sexual harassment received in the year;

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b) Number of complaints disposed off during the year;

c) Number of cases pending for more than ninety days;

d) Number of workshops or awareness programme against sexual harassment carried out;

e) Nature of action taken by the employer or District Officer.

The Committee has submitted the Annual Report to the Board in terms of Section 21 of the POSH Act. There was no complaint of sexual harassment received by the Committee during the financial year 2024-25.

13. Commodity Committee:

The Company has constituted a Commodity Committee comprising of Mr. Anurag Choudhary - CMD & CEO, Mr. Amit Choudhary – Executive Director, Mr. Kamlesh Kumar Agarwal- Chief Financial Officer, and Mr. Somesh Satnalika – Executive Vice President, Tyre and Strategy

During the financial year 2024-25, no meeting of the Committee was held.

Terms of reference:

(i) Determining the extent of corporate exposures through appropriate discussion and analysis that determines these Policy Limits;

(ii) Oversight of the risk management processes adopted by the Company;

(iii) Delegation of these Policy Limits to the Team;

(iv) Ensuring compliance with the terms of this policy;

(v) Time to time review of Policy Limits;

(vi) Managing and administering hedging transaction in accordance with this Policy;

(vii) Properly recording of transactions in the books of the Company;

(viii) Supplying regular market information to the Executive Committee;

(ix) Obtaining advice in relation to commodity price risk management;

(x) Ensuring competitive pricing for availing hedge products;

(xi) Carrying on periodic revaluation of open positions;

(xii) Reviewing raw material supply and prices;

(xiii) Reviewing such other information as may be advised by the Chief Financial Officer in this regard;

(xiv) Reconcile Company records with those of the Dealer;

(xv) The Dealer will provide independent confirmation of market transactions and recording of terms, calculation of settlement amounts, monitor and report on compliance with policy and procedures, financial reporting of risk management activity and documentation.

14. Share Issue & Allotment Committee:

The Company has constituted Share Issue & Allotment Committee comprising of the following members:

Sl. No.	Name of members	Position and Category
1	Mr. Shyam Sundar Choudhary	Chairman, Executive Director
2	Mr. Anurag Choudhary	Member, CMD & CEO
3	Mr. Gopal Ajay Malpani	Member, Independent Director
4	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director

Terms of reference:

(i) To make allotment of securities/ warrants on preferential basis upon receipt of the subscription amount;

(ii) To issue necessary allotment advice to the allottees;

(iii) To make Corporate Action for the allotment of Securities and crediting in DEMAT account of the allottee;

(iv) To make necessary application to Stock Exchange(s) for listing of securities;

(v) To do all other acts, deeds and things which are incidental to the allotment of securities;

During the financial year 2024-25, the Committee met 3 (Three) times.

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15. Project Committee:

The Company has constituted Project Committee to look after projects, comprising of the following members: .

Sl. No.	Name of members	Position and Category
1	Mr. Anurag Choudhary	Chairman, CMD & CEO
2	Mr. Amit Choudhary(w.e.f. 12 September 2024)	Member, Executive Director
3	Mr. Gopal Ajay Malpani (w.e.f. 12 September 2024)	Member, Independent Director
4	Mr. Kamlesh Kumar Agarwal	Member, CFO
5	Mr. M B Gadgil	Member, Consultant
6	Mr. Santimoy Dey (upto 12 September 2024)	Member, Independent Director

During the financial year 2024-25, no meeting of the Committee was held.

Terms of reference:

To look after the project of manufacturing Lithium-Ion Battery (Lib) Components and report about the progress of the project.

16. Senior Management:

Particulars of senior management of the Company as on 31 March 2025 are as follows:

Name	Designation
Mr. Kamlesh Kumar Agarwal	Chief Financial Officer
Ms. Monika Saraswat	Company Secretary & Compliance Officer
Dr. Soumen Chakraborty	Business President, Carbon Black Division
Mr. Monojit Mukherjee	Business President, Carbon Black Division
Mr. Somesh Satnalika	Executive Vice President, Tyre and Strategy
Mr. Kunal Mukherjee	Vice President, HR

There were no changes in the senior management during the year.

17. General Body Meetings:

i) Annual General Meeting (AGM): Details of location, time, and date of the last three AGM and and Special Resolutions passed thereat are as follows:

Financial Year	Number of the AGM	Date and Time	Venue	Special Resolutions passed
2021-22	34th AGM	28 September 2022 at 4.00 p.m.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	1. Appointment of Ms. Rita Bhattacharya (DIN: 03157199) as an Independent Director for a period of 5 (five) consecutive years with effect from 11 August 2022;
2022-23	35th AGM	22 June 2023 at 11:00 a.m.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	None
2023-24	36th AGM	20 June 2024 at 11:00 a.m	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"). The deemed venue: Ruby House, 8 India Exchange Place, 2nd Floor, Kolkata – 700 001.	1. Re-appointment of Mr. Anurag Choudhary (DIN: 00173934) as Chairman cum Managing Director and CEO for a period of five (5) years with effect from 14 August 2024 to 13 August 2029; 2. Re-appointment of Mr. Amit Choudhary (DIN: 00152358) as Whole-time Director for a period of five (5) years with effect from 14 August 2024 to 13 August 2029;

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Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of the SEBI Listing Regulations, the Company has been providing remote e-voting facility to its members to enable them to cast their votes by electronic means on all resolutions.

ii) Extraordinary General Meetings (EOGM): Details of Special Resolution(s) passed during the last three years in EOGM:

Extra – Ordinary General Meeting held on 08 August 2022	Issue of upto 72,550,000 (Seven Crores Twenty-Five Lakhs Fifty Thousand) Warrants each convertible into one equity share of the Company within the period of 18 (eighteen months) in accordance with the applicable laws to the Promoter/ Promoter Group of the Company and certain identified non-promoter persons / entity.

iii) Postal Ballot:

(a) During the financial year 2024-25, the Company had sought approval of the members by means of 1 (one) postal ballot conducted through Remote E-voting for the following business, which was duly passed with requisite majority, details appearing herein below :

Date of postal ballot	Special Resolutions passed	Date of Postal Ballot Notice	Date of completion of dispatch of Postal Ballot Notice	Period of e-voting	Date of declaration of results	Person who conducted the postal ballot exercise
19 April 2024	1. Issue of equity shares on preferential basis for consideration other than cash 2. Issue of Convertible Warrants on a Preferential Basis	20 March 2024	20 March 2024	21 March 2024 to 19 April 2024	20 April 2024	The Board of Directors of the Company appointed Mr. Rajarshi Ghosh, Practicing Company Secretary (Membership No. FCS 12595, CP No. 8921) as the Scrutinizer for scrutinizing the postal ballot through e-voting.

(b) Details of voting pattern

The results of the postal ballot through e-voting were as follows:

Resolutions	Votes in favour of the Resolution		Votes against the Resolution	
	Number of Shares for which valid votes cast	% of votes to total number of valid votes cast	Number of Shares for which valid votes cast	% of votes to total number of valid votes cast
Issue of equity shares on preferential basis for consideration other than cash	34,09,95,646	99.89	3,59,914	0.11
Issue of Convertible Warrants on a Preferential Basis	34,09,94,837	99.89	3,60,123	0.11

(c) Special Resolution proposed to be conducted through Postal Ballot:

As of 31 March 2025, there is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Act, the SEBI Listing Regulations or any other applicable laws.

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(d) Procedure followed for Postal Ballot:

In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, Regulation 44 of the SEBI Listing Regulations and the applicable MCA Circulars, Members can vote only through the remote e-voting. Accordingly, the Company provided remote e-voting facility to all its Members to cast their votes electronically and engaged the services of CDSL for facilitating the e-voting process.

In terms of the applicable MCA Circulars, the Company sent the Postal Ballot Notices in electronic form only to its registered shareholders whose e-mail IDs were registered/available with the Depository Participants (DPs)/Registrars and Share Transfer Agents (RTAs) as on the cut-off date. Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members desiring to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting. The scrutinizer, after the completion of scrutiny, submitted his report.

The consolidated results of the voting by postal ballot and e-Voting were then announced and the results were also displayed at the Registered Office of the Company and on the Company's website besides being communicated to BSE Limited, National Stock Exchange of India Limited and CDSL.

18. Means of communication:

a. Quarterly/Annual Financial Results: The unaudited quarterly financial results are announced within 45 days from the end of each quarter, and the audited annual financial results are announced within 60 days from the end of the last quarter. These financial results, after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchanges, where the shares of the Company are listed. Any news, updates, or vital/useful information to shareholders are being intimated to Stock Exchange(s) and are being displayed on the Company's website: www.himadri.com

b. Newspapers: During the financial year 2024-25, financial results (Quarterly & Annual) were published in newspapers viz. Financial Express, Jansatta (Hindi) and Ei Samay (Vernacular) in the format prescribed by SEBI.

c. Website: The financial results are also posted on the Company's Website at www.himadri.com The Company's website provides information about its business and the section on "Investor Relations" serves to inform and service the Shareholders allowing them to access information at their convenience.

d. Annual Report: Annual Report is circulated to all the Members within the required period. In view of the SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07 October 2023, the Company has sent Annual Report for the financial year 2023-24 through email to shareholders. The Annual Reports are also available on the Company's website at www.himadri.com. The Company also provides live webcast facility of its AGM in coordination with NSDL. The shareholders have been provided e-voting option for the resolutions passed at the general meeting to vote as per their convenience.

e. E-mail ID of the Registrar & Share Transfer Agent: All the share related requests/ queries/ correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agent of the Company, M/s S. K. Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032 or e-mail them at skcdilip@gmail.com.

f. Designated E-mail ID for Complaints/ Redressal: In compliance with Regulation 46(2) of SEBI Listing Regulations, the Company has designated an e-mail ID investors@himadri.com exclusively for registering complaints/ grievances by investors. Investors whose requests/queries/ correspondence remain unresolved can send their complaints to the Company to resolve the grievances to the above referred e-mail ID.

g. NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for Corporates. All periodic compliances, inter alia, the Shareholding Pattern, Integrated Governance Report, Financial Results, disclosures with respect to Board Meetings or

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any other Corporate Action Announcements are filed electronically on NEAPS.

h. BSE Corporate Compliance & Listing Centre: The Listing Centre is a web-based application designed by BSE for Corporates. All periodic compliances, inter alia, the Shareholding Pattern, Integrated Governance Report, Financial Results, and other intimations are filed electronically on BSE's Listing Centre.

i. SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redressal system through SCORES. The Action Taken Reports are uploaded online by the Company for any complaints received on SCORES platform, thereby making it convenient for the investors to view their status online.

j. Dispute Resolution Mechanism (SMART ODR): In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), introduced the Online Dispute Resolution (ODR) Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company at https://www.himadri.com/home/investor_information

k. News releases/Investor Updates and Investor presentations: The Company regularly uploads general presentation, press release, earning releases of the Company and its business on the website for the benefit of all the stakeholders.

19. General Shareholder Information:

The Shareholders are kept informed by way of mailing of Annual Reports, notices of Annual General Meetings, Extra Ordinary General Meetings, Postal Ballots and other compliances under the Act and SEBI Listing Regulations. The Company also issues press releases and publishes quarterly results and Business Updates.

i. Annual General Meeting (AGM) and Record Date

The Day, Date, Time of the 37th AGM and Record Date in relation thereto have been indicated in the Notice convening the AGM.

ii. Financial Year

The financial year of the Company is from 1 April to 31 March every year.

iii. Tentative Schedule for the Meetings for the financial year 2025-26

Financial Year	2025-26
Board meetings for approval of quarterly results	
- Quarter ended 30 June 2025	Within 2nd Week of August 2025
- Quarter ended 30 September 2025	Within 2nd week of November 2025
- Quarter ended 31 December 2025	Within 2nd week of February 2026
- Audited Financial Results for the year ended 31 March 2026	Within 60 days from the end of the financial year
AGM for the financial year 2024-25	Within 2nd Week of September 2025
Dispatch of Annual Report	21 (clear) days before the meeting or by electronic mode as per circular of MCA and SEBI from time to time.

iv. Dividend payment date

The Company will pay the dividend within a period of 30 days from the date of declaration and the required funds will be transferred to the Dividend Account within 5 days from the date of the AGM.

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v. Listing of Securities on Stock Exchange (s)

Equity Shares: The Company's shares are presently listed on the following Stock Exchange(s):

Sl. No.	Stock Exchange	Listing code
1	BSE Limited P. J. Towers, Dalal Street, Fort Mumbai- 400 001	500184
2	National Stock Exchange of India Ltd "Exchange Plaza" Bandra-Kurla Complex, Badra (E), Mumbai - 400 051	HSCL

The Company has remitted the annual listing fee to the Stock Exchanges for FY 2024-25.

vi. None of the Company's securities have been suspended from trading.

vii. Registrar and Share Transfer Agent

The Company has engaged the services of M/s S. K. Infosolutions Pvt. Ltd act D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, a SEBI registered Registrar as Registrar and Share Transfer Agent ("RTA") of the Company. All the queries related to shares may be forwarded directly to the Company's RTA.

Shareholders are requested to surrender the old share certificates having Face Value of ₹ 10/- each to the Registrar and Share Transfer Agent for cancellation and exchange of new certificates of Face Value of ₹ 1/- each pursuant to stock split approved by the shareholders at the AGM held on 28 September 2010, for which the Record Date was fixed on 9 November 2010.

viii. Share Transfer and Transmission System

Securities of listed companies can be transferred only in dematerialised form effective 1 April 2019. Further, as mandated by SEBI all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Since the shares are compulsorily required to be traded in dematerialized form, shareholders are requested to get their physical shareholdings converted into DEMAT form through their depository. The Company has made necessary arrangements with Depositories viz NSDL/ CDSL for dematerialization of shares. M/s S. K. Infosolutions Pvt. Ltd, RTA has been appointed as the common agency to act as transfer agent for both physical and demat shares.

Issue of duplicate share certificates and all other investors' related activities are attended and processed at the office of the RTA, M/s S. K. Infosolutions Pvt. Ltd, at D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032.

Shareholders are advised to refer the latest SEBI guidelines/ circular(s) issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC details updated at all times.

ix. Nomination facilities

Section 72 of the Act read with Rule 19(1) of Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of a company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In case the shares are held in physical mode, the nomination form may be obtained from the Registrar & Share Transfer Agent. In case of shares held in Demat form, such nomination is to be conveyed to the DP as per the formats prescribed by them.

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

i. Form ISR-3: Declaration to Opt-out of Nomination

ii. Form SH-13: Nomination Form

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iii. Form SH-14: Change in Nomination

iv. Form SH-14 and ISR-3: Cancellation of Nomination

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

x. Dividend remittance

Dividend on equity shares as recommended by the Board for the year ended 31 March 2025, when declared at the ensuing AGM will be paid within 30 days from the date of declaration.

The dividend would be paid to all the equity shareholders, whose names would appear in the Register of Members / list of Beneficial Owners on the record date determined for the purpose of dividend.

xi. Electronic Clearing Service – NECS

Members desirous of receiving dividends by direct electronic deposits of dividend vide NECS in their account may authorise the Company with their mandate. Members are requested to provide necessary details of their bank account to Company's Registrar and Share Transfer Agent, M/s S. K Infosolutions Pvt. Ltd, D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, Ph No: 033-24120027 / 033-24120029.

xii. Bank details of physical shareholding

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

i. Form ISR-1: Request for Registering PAN/KYC, Bank details or Changes/ Updation thereof

ii. Form ISR-2: Confirmation of Signature of Shareholders by the Banker

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

xiii. Details of Payee

SEBI has mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1 April 2024, upon their furnishing all the aforesaid details in entirety.

The Company has also issued letters of reminder to the security holders for providing such information. The payment of dividend is made only through electronic mode with effect from 01.04.2024.

xiv. Unclaimed / Unpaid Dividend

The amount of unclaimed dividend lying in credit of separate banking accounts. Members may please note that pursuant to Section 124(5) and Section 125 of the Act the amount lying in credit of any unpaid dividend account if, remained un-claimed for 7 years or more from the date it became unpaid / unclaimed shall be transferred to the Investor Education and Protection Fund. As on 31 March 2025, the following amounts are unclaimed and lying credit in separate bank accounts with various banks.

Financial Year	Date of declaration	Amount Unpaid/ unclaimed as on 31.03.2025 (₹)	Due date for transfer to Investor Education and Protection Fund	Banker's name in which the unpaid amount is lying
2017-18	4 September 2018	3,21,463.50	10 October 2025	State Bank of India
2018-19	25 September 2019	4,44,108.30	31 October 2026	State Bank of India
2019-20	11 December 2020	5,48,194.57	16 January 2027	Axis Bank Ltd
2020-21	29 September 2021	6,95,163.93	04 November 2028	Axis Bank Ltd
2021-22	28 September 2022	7,24,790.63	03 November 2029	Axis Bank Ltd
2022-23	22 June 2023	4,45,533.37	28 July 2030	Axis Bank Ltd
2023-24	20 June 2024	22,50,710.04	26 July 2031	Axis Bank Ltd

Therefore, Members who have so far not encashed their dividend warrants or have not received the dividend warrants may write to the Company or its' Share Transfer Agent for payment of Dividend.

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xv. Transfer of Unclaimed Dividend to IEPF

During the financial year 2024-25, pursuant to the provision of Section 124 of the Act, the Company has transferred a sum of ₹ 5,79,039 to the IEPF, the amount of dividend which was unclaimed/unpaid for a period of seven years declared for the financial year 2016-17. The shareholders may re-claim those dividends from the IEPF Authority by complying with prescribed procedure and filing the e-Form- IEPF-5 online with MCA portal.

xvi. Transfer of Unclaimed Shares to IEPF

During the financial year 2024-25, the Company has transferred 85,315 shares of 75 shareholders in respect of which dividend has not been paid or claimed for seven consecutive years or more pursuant to Section 124 (6) of the Act to the credit of IEPF Authority as prescribed in Section 125 of the Act.

However, the shareholders may re-claim those shares from the IEPF Authority by complying with prescribed procedure and filing the e-Form IEPF-5 online with MCA portal. The shareholder claiming the shares should take a printout of the e-Form IEPF-5 and forward the same with all documents as mentioned in the e-form to the NODAL Officer of the Company for onward submission to the IEPF Authority along with verification report. The name, address, and contact no of the NODAL Officer of the company is given hereunder:

Name: Ms. Monika Saraswat,
Designation: Company Secretary & Compliance Officer
Himadri Speciality Chemical Ltd
Regd. Off: 23A, Netaji Subhas Road, 8th Floor, Suite No 15, Kolkata- 700 001
Corporate Office: 8, India Exchange Place, 2nd Floor, Kolkata- 700 001
Contact No: 033-22309953/ 22304363.
E-mail: monika@himadri.com

xvii. Credit ratings obtained along with any revisions thereto during the financial year for all debt instruments.

Rating Agency: ICRA Limited vide its' letter dated 08 July 2024, has assigned Credit Rating to Company's various credit facilities and instruments as mentioned below:

Facilities	Amount (₹ In Crores)	Rating Assigned	Remarks
Term Loan	31.25	[ICRA]AA-(Stable); (Pronounced ICRA double A minus)	Upgraded from [ICRA]A+ (Stable)
Fund Based /Non- Fund Based Working Capital	1784.61	[ICRA]AA-(Stable)/[ICRA]A1+ (Pronounced ICRA A one plus) Outlook: Stable	Upgraded from [ICRA] A+(Stable)/ [ICRA]A1
Commercial Paper	300.00	[ICRA]A1+ (Pronounced ICRA A One Plus)	Upgraded from [ICRA]A1

Platinum Medal from EcoVadis: The Company has achieved a prestigious Platinum Medal from EcoVadis, one of the world's leading agencies for business sustainability ratings on a global scale.

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xviii. Distribution of Shareholding and Shareholding Pattern as on 31 March 2025

- **Distribution of Shareholding as on 31 March 2025**

No. of shares	No. of Shareholders	% of total number of shareholders	Number of shares held	% of the total number of shares
UPTO 5000	4,43,592	99.51	6,14,38,995	12.44
5001 to 10000	1,105	0.25	82,86,278	1.68
10001 to 20000	484	0.11	69,31,793	1.4
20001 to 30000	168	0.04	42,85,098	0.87
30001 to 40000	80	0.02	28,10,059	0.57
40001 to 50000	54	0.01	24,40,172	0.49
50001 to 100000	105	0.02	75,71,814	1.53
100001 to 500000	124	0.03	2,74,76,993	5.57
500001 to 1000000	16	0.00	1,12,97,714	2.29
1000001 and Above	40	0.01	36,12,43,308	73.16
Total	**4,45,768**	**100.00**	**49,37,82,224**	**100.00**

- **Shareholding pattern as on 31 March 2025**

Category of shareholders		No. of holders	% of total number of holders	Number of shares held	% of the total number of shares
(A)	**Promoter Group**				
1	Individual	7	0.00	6,79,67,676	13.76
2	Bodies corporate	2	0.00	18,68,91,626	37.85
	Sub- total (A)	**9**	**0.00**	**25,48,59,302**	**51.61**
(B)	**Non-promoters**				
1	Mutual funds	18	0.00	1,39,11,057	2.82
2	Alternate Investment Funds	3	0.00	4,05,215	0.08
3	Insurance Companies	12	0.00	84,60,831	1.71
4	NBFCs registered with RBI	3	0.00	72,216	0.01
5	Foreign Portfolio Investor	121	0.03	2,65,80,006	5.38
6	Central Government/ State Government(s)/ President of India.	1	0.00	3,000	0.00
7	Key managerial personnel	6	0.00	11,60,456	0.24
8	Bodies Corporate and Others	856	0.19	5,89,44,520	11.95
9	Individuals	4,37,074	98.06	10,72,06,935	21.71
10	IEPF	1	0.00	37,16,588	0.75
11	Non Resident Indian	3,771	0.85	23,66,753	0.48
12	Clearing Members	4	0.00	514	0.00
13	HUF	3,707	0.83	71,92,310	1.46
14	Trusts	4	0.00	9,720	0.00
15	Market Maker	37	0.01	7,54,234	0.15
16	LLP	87	0.02	63,72,208	1.29
17	Client Marging Trading /Clien Collateral Account	54	0.01	17,66,359	0.36
	Sub-total (B)	**4,45,759**	**100.00**	**23,89,22,922**	**48.39**
	Total (A) + (B)	**4,45,768**	**100.00**	**49,37,82,224**	**100.00**

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xix. Dematerialization of shares and liquidity

The trading in the Company's Equity Shares has been permitted in Demat form and it has joined as a member of the Depository services with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as an Issuer Company for dematerialization of its' shares. Shareholders can get their shares dematerialized with either NSDL or CDSL.

Pursuant to stock split approved by the shareholders at the AGM held on 28 September 2010, each equity shares of face value of ₹ 10/- each has been sub-divided into ten equity shares of ₹ 1/- each and the depositories allotted the following new ISIN number to the Company:

ISIN - INE019C01026

As on 31 March 2025, out of the 49,37,82,224 equity shares of the Company 49,19,26,832 shares were held in electronic form representing 99.62% to the total paid up share capital, whereas balance of 18,55,392 shares were held in physical form representing 0.38% to the total paid up share capital of the Company.

The summary of the shareholdings of the Company being held is given below:

Held in dematerialised form in CDSL	63,47,7961	12.85%
Held in dematerialised form in NSDL	42,84,48,871	86.77%
Physical	18,55,392	0.38%
Total No. of shares	**49,37,82,224**	**100.00%**

However, as on 31 March 2025, out of 49,37,82,224 equity shares of the Company, 49,36,81,224 equity shares were listed with the Stock Exchanges. The Company allotted 1,01,000 equity shares on 05 March 2025 upon conversion of equal number of Warrants issued on preferential basis. The Listing of those additional shares issued were under process as on 31 March 2025.

xx. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company, on 14 May 2024 has allotted 1,08,17,000 (One Crore Eight Lakh Seventeen Thousand) warrants, on preferential basis to the Promoter of the Company and certain identified non-promoter persons, at a price of ₹ 316 each payable in cash ("Warrant Issue Price").

Each warrant, so allotted, is convertible into or exchangeable for one fully paid-up equity share of the Company having face value of ₹ 1 (Rupee One only) each in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹ 237 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

Subsequently, the Company during the financial year 2024-25, upon receipt of balance 75% of the issue price (i.e., ₹ 237 per warrant) for 1,60,000 warrants, has allotted equal number of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder.

For the remaining 1,06,57,000 warrants outstanding as on as on 31 March 2025 for which the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

The Company has not issued any American depository receipts or global depository receipts.

xxi. Commodity price risk/foreign exchange risk and hedging activities

The Company is exposed to foreign exchange risks on export of goods and imports of raw materials/capital item. During the year, the Company has managed foreign exchange risk and hedged foreign exchange to the extent considered necessary. The details of foreign currency transactions are disclosed in the Notes to the Standalone Financial Statements.

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In terms of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Disclosures relating to risks including commodity price risk, foreign exchange risk, hedging activities etc., have been adequately covered under the Management Discussion and Analysis Report.

xxii. Locations of Plants

Sr. No.	Location of Plant
1	Mahistikry, P.S.- Haripal, District- Hooghly (W.B.)
2	Liluah Unit (Howrah), 58, N.S. Road, Liluah, Howrah - 711 204 (W. B.)
3	Liluah Unit (Howrah), 27-B, Gadadhar Bhatt Road, Liluah, Howrah- 711 204 (W.B.)
4	Korba Unit - Vill- Jhagrah, Rajgamar Colliery, Korba- 495683 (Chhattisgarh)
5	Vizag Unit - Plot No. 67, 68 & 69, Ancillary Industrial Estate, Vill: Pedagantyada, PIN- 530 013 (A. P.)
6	Sambalpur Unit, Kenghati. P.O Jayantpur, Sambalpur -768112
7	Falta Special Economic Zone J.L. No 1, Dag No: 49,50,51, Sector- II, Vill- Simulberia, P.O.- Falta, Dist- 24 Pgs (South) West Bengal -743504
8	China Unit, Longkou, Shandong, China. (Step-down Subsidiary)

xxiii. Address for correspondence

All communication may be sent to Ms. Monika Saraswat, Company Secretary and Compliance Officer at the following address:

Himadri Speciality Chemical Ltd

23A, Netaji Subhas Road, 8th Floor, Suite no 15
Kolkata - 700 001
Phone number: (033) 2230 9953/ 2230-4363
Fax No 91-33-2230-9051, e-mail: investors@himadri.com

All shares related queries may be sent to the Company's Registrar and Share Transfer Agent, M/s S. K. Infosolutions Pvt. Ltd, at D/42, Katju Nagar Colony, Ground Floor, Near South City Mall, PO & PS - Jadavpur, Kolkata - 700 032, Ph No: 033-24120027 / 033-24120029.

20. Subsidiary Companies

The Company has eight Subsidiary Companies as on 31 March 2025:

Sl. No	Indian Subsidiaries	% of holding	Type
1	Combe Projects Private Limited	100	Wholly Owned Subsidiary
2	Himadri Clean Energy Limited	100	Wholly Owned Subsidiary
3	Himadri Future Material Technology Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.
4	Himadri Green Technologies Innovation Limited	100	Step down Wholly Owned Subsidiary in which the Company holds 100% equity through its Wholly Owned Subsidiary Company, Himadri Clean Energy Limited.
5	Invati Creations Private Limited*	40	Subsidiary
	Foreign Subsidiaries		
6	AAT Global Limited (In Hong Kong)	100	Wholly Owned Subsidiary
7	Shandong Dawn Himadri Chemical Industry Limited (In China)	94	Step down Subsidiary in which the Company holds 94% equity through its Wholly Owned Subsidiary Company, AAT Global Limited.
8	Himadri Speciality Inc (In the State of Delaware, United States of America)	100	Wholly Owned Subsidiary

*The Company has acquired 40% paid-up share capital of Invati Creations Private Limited (ICPL) and this voting right does not qualify ICPL as a direct subsidiary under Section 2(87) of the Act. However, based on contractual rights (including potential voting rights combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Company has decided to consolidate the financial statements of ICPL as a subsidiary with effect from 17 May 2024.

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Material subsidiary

During the financial year 2024-25, AAT Global Limited was material subsidiary pursuant to Section 16 the SEBI Listing Regulations. Mr. Gopal Ajay Malpani, the Independent Director of the Company, has been appointed as Director of AAT Global Limited.

The Board of Directors of the Company regularly reviews the financial statements of the unlisted subsidiary companies. Further, the Audit Committee reviews the financial statements, in particular, the investments made by the unlisted subsidiary companies. The Company has duly formulated a policy for determining 'Material' Subsidiaries. The main objective of the policy is to ensure governance of material subsidiary companies. The Company has also complied with the other provisions of Regulation 24 of the SEBI Listing Regulations with regard to Corporate Governance requirements for subsidiary Company.

The web link for Policy for determining Material Subsidiaries is placed on the website of the Company at https://www.himadri.com/home/uploads/govnce_report/code_policy/policy-for-determining-material-subsidiaries-10.02.2023.pdf

21. Other Disclosures

i. Materially significant related party transactions (i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc.) that may have potential conflict with the interests of the Company at large;

The Company has not entered into any materially significant related party transaction during the year with any of the related parties which may have potential conflict with the interest of the Company. The related party transactions constitute contracts or arrangements, made by the Company from time to time, with Companies in which Directors are interested. The Audit Committee reviews periodically the related party transactions and the Committee provided omnibus approval for related party transactions which are in ordinary course of business (repetitive in nature) and are on Arm's Length basis. All transactions covered under the related party transactions are regularly approved by the Board. There were no material transactions during the financial year 2024-25 that were prejudicial to the Company's interest. There are no materially significant related party transactions i.e., transactions of the Company of a material nature that may have potential conflict with Company's interest at a large. Related party transactions as per requirements of Indian Accounting Standard (Ind- AS 24) "Related Party Disclosures" are disclosed in the Notes to the Financial Statements of the Company for the year ended 31 March 2025.

ii. Reconciliation of Share Capital Audit Report;

A Practising Company Secretary has carried out exercise of Reconciliation of Share Capital to the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital as on the close of the financial year 2024-25. The Reconciliation of Share Capital confirms that the total issued / paid up capital is in line with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

iii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years;

The Company has complied with the requirements of the stock exchange(s)/ SEBI and statutory authorities on all matters related to capital markets during the last three years. There were no penalties or strictures imposed on the Company by the stock exchange(s), SEBI or any statutory authority in any matter related to capital markets except the following:

Action Taken by	Details of violation during financial year 2022-23	Details of action taken e.g., fines, warning letter, debarment, etc.
National Stock Exchange of India Limited (NSE) BSE Limited (BSE)	Pursuant to Regulation 33 of the SEBI Listing Regulations the company was required to submit audited financial results for the quarter and year ended 31.03.2022 on or before 30 May 2022 but the same was submitted by the company on 21 July 2022	Fine was imposed by NSE and BSE. The Company paid the fine on 22 July 2022.

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iv. **Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no person has been denied access to the Audit Committee;**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy and the same is uploaded on the website of the Company at www.himadri.com . The Board appointed Ms. Monika Saraswat, Company Secretary, as Vigilance Officer for this purpose. The whistle blowers may also lodge their complaints/ concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistleblowers from victimization, harassment, or disciplinary proceedings.

Further, during the financial year ended 31 March 2025, no personnel have been denied access to the Audit Committee, in this regard.

v. **Details of compliance with Mandatory and Non-mandatory requirements;**

The Company has complied with the mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations and has adopted a few non-mandatory requirements as specified under Regulations of SEBI Listing Regulations, which are reviewed by the management from time to time.

vi. **Details of adoption of Non-mandatory (discretionary) requirements;**

The Company has duly fulfilled the following discretionary requirements as prescribed in Regulation 27(1) Part E of Schedule II of the SEBI Listing Regulations as follows:

Independent Women Director

Ms. Rita Bhattacharya is an Independent Women Director on the Board of the Company.

Unmodified Audit Opinion

During the year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit qualifications.

Reporting of Internal Auditor

Internal Auditors of the Company make presentations to the Audit Committee on their Reports and have direct access and functionally reports to the Audit Committee.

Meeting of Independent Directors

During the financial year ended 31 March 2025, the Company held two meetings without the presence of non-independent directors and members of the management.

Risk Management

The Company has a duly constituted Risk Management Committee

Other Items

The rest of the Non-Mandatory Requirements will be implemented by the Company as and when required and/ or deemed necessary by the Board.

vii. **Proceeds from Public Issues, Rights Issue, Preferential Issue, Qualified Institutional Placement etc.;**

The Company has not raised any money through issue of Securities by means of Public issue, Rights Issue, Qualified Institutional Placement etc. during the financial year ended 31 March 2025.

Pursuant to the approval of the Board at its meeting held on 20 March 2024 and approval of the members of the Company obtained via special resolution passed through Postal Ballot on 19 April 2024, upon receipt of 25% of the issue price per warrant (i.e. ₹ 79 per warrant) as upfront payment ("Warrant Subscription Price"), the Company, on 14 May 2024 has allotted 1,08,17,000 (One Crore Eight Lakh Seventeen Thousand) warrants, on preferential basis to the Promoter/Promoter Group of the Company and certain identified non-promoter persons, at a price of ₹ 316 each payable in cash("Warrant Issue Price").

Each warrant, so allotted, is convertible into or exchangeable for one fully paid-up equity share of the Company having face value of ₹ 1 (Rupee One only) each in accordance with

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the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on payment of the balance consideration of ₹ 237 per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant from the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

The Company had allotted 1,60,000 equity shares during the Financial Year 2024-25 upon receipt of balance 75% of the issue price (i.e., ₹ 237 per warrant) and upon conversion of Warrants exercised by the warrant holders.

For the remaining 1,06,57,000 warrants outstanding as on as on 31 March 2025 for which the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations

The details of utilization of funds are given hereunder:

Sl No	Particulars	Amount in ₹ Lakhs
1	Funds raised through allotment of 1,08,17,000 warrants on 14 May 2024	8,545.43
2	Funds raised through allotment of 1,60,000 fully paid-up equity shares against conversion of equal number of warrants during financial year 2024-25	379.20
3	**Total Funds raised and available for utilization till 31 March 2025 (1+2)**	**8,924.63**
4	**Funds utilized during the year ended 31 March 2025**	**8,924.63**

There is no deviation or variation in the use of proceeds from the preferential issue of warrants, from the objects as stated in the Explanatory Statement to the Notice of the Postal Ballot dated 19 April 2024. Further, there is no category wise variation between projected utilisation of funds and the actual utilisation of funds.

ix. Web link where policy on determining 'material' subsidiaries is disclosed;

The Company has formulated a policy pursuant to provisions of Chapter IV of SEBI Listing Regulations to determine material subsidiaries. The policy is posted on the website of the Company and the web link for the same is: https://www.himadri.com/home/uploads/govnce_report/code_policy/policy-for-determining-material-subsidiaries-10.02.2023.pdf

x. Web link where policy on dealing with related party transactions;

The Company has duly formulated a Policy on dealing with Related Party transactions. The Company recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof and therefore has adopted this Policy to ensure that all Related Party Transactions with Related Parties shall be subject to this policy and approval or ratification in accordance with Applicable Law. This Policy contains the policies and procedures governing the review, determination of materiality, approval and reporting of such Related Party Transactions. The link for the same as placed on the website of the Company is https://www.himadri.com/home/uploads/govnce_report/code_policy/1745210462_RPT_Policy_HSCL_-_13.01.2025.pdf

xi. Disclosure of commodity price risks and commodity hedging activities;

Disclosure of commodity price risks and commodity hedging activities has been adequately covered under the Management Discussion and Analysis Report.

xii. Declaration of non-disqualification or debarment for appointment / continuing as the Director in companies for the financial year 2024-25;

There is no such director on the Board of the Company who has been disqualified by virtue of any provisions of the Act and any other laws or debarred by any regulatory authority to be appointed or continue to act as Director.

A Certificate from a Company Secretary in Practice that none of the Directors on the

Annexure VIII

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Board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure II**.

xiii. Recommendation from the Committees to the Board;

There were no such instances where the Board has not accepted the recommendations of / submissions by the Committee, which were required for the approval of the Board of Directors during the financial year under review.

xiv. Details of fees paid to statutory auditor;

Total fees paid by the Company and its subsidiaries to the statutory auditor's M/s Singhi & Co, Chartered Accountants for all the services provided by them are as follows:

Amount in ₹ Lakhs

Payment towards-	2024-25	
	Company	Subsidiaries
Statutory Audit Fee	53.50	29.89
Limited Review Reports	21.50	-
Certification fees	6.55	-
Re-imbursement of Expenses	2.64	-
Total	**84.19**	**29.89**

xv. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

The Company has constituted Internal Complaint Committee pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. During the financial year 2024-25, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the financial year.

Details of Complaints received and redressed during the financial year 2024-25 are as follows:

a) Number of complaints outstanding at the beginning of financial year - Nil

b) Number of complaints filed during the financial year - Nil

c) Number of complaints disposed of during the financial year - Nil

d) Number of complaints pending as on end of the financial year - Nil

xvi. Disclosures with respect to demat suspense account/ unclaimed suspense account;

There are no shares in demat suspense account.

(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- NIL

(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year- NIL

(c) number of shareholders to whom shares were transferred from suspense account during the year- NIL

(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- NIL

(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- NIL

xvii. Disclosure of discretionary requirements as specified in Part E of Schedule II have been adopted;

As mentioned above in point no 21(vi)

xviii. Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of para C of Schedule V of SEBI (LODR) Regulation, 2015, with reasons thereof shall be disclosed;

There Company has complied with all the requirements of Corporate Governance report as stated under sub-paras (2) to (10) of para C of Schedule –V of the SEBI Listing Regulations.

xix. Disclosure of the Compliance of the Corporate Governance;

The Company is in compliance with the Corporate Governance requirements as specified in Regulation 17 to 27 the SEBI Listing Regulations and the Company is also in compliance with the requirements of dissemination of the information of as required in terms of Regulation 46 (2) of the SEBI Listing Regulations.

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xx. **Details of corporate policies;**

Sl No	Particulars	Link
1	Corporate Social Responsibility Policy	https://www.himadri.com/home/uploads/govnce_report/code_policy/1747470214_Corporate_Social_Responsibility_Policy_10.02.2023.pdf
2	Composition	https://www.himadri.com/home/uploads/govnce_report/others/1747135598_List_of_Committee_of_Directors_21.04.2025.pdf
3	Profile of the Board of Directors	https://www.himadri.com/bod.php
4	Terms and Conditions of appointment of Independent Directors	https://www.himadri.com/home/corporate_governance_report
5	Familiarization Programme for Independent Directors	https://www.himadri.com/home/corporate_governance_report
6	Remuneration policy of Directors, KMPs & other Employees	https://www.himadri.com/home/uploads/govnce_report/code_policy/nomination-and-remuneration-policy-10.02.2023.pdf
7	Code of Conduct	https://www.himadri.com/home/uploads/govnce_report/code_policy/code-of-conduct-for-all-directors-and-senior-management_10.02.2023.pdf
8	Criteria for making payments to Non-Executive Directors	https://www.himadri.com/home/uploads/govnce_report/others/criteria_of_making_payment_to_non_executive_directors.pdf
9	Code of Conduct for Non-Executive Independent Directors	https://www.himadri.com/home/uploads/govnce_report/code_policy/code-of-conduct-for-independent-directors-HSCL.pdf
10	Policy on Related Party Transactions	https://www.himadri.com/home/uploads/govnce_report/code_policy/1745210462_RPT_Policy_HSCL_-_13.01.2025.pdf
11	Policy on determining Material Subsidiaries	https://www.himadri.com/home/uploads/govnce_report/code_policy/policy-for-determining-material-subsidiaries-10.02.2023.pdf
12	Whistle Blower Policy	https://www.himadri.com/home/uploads/govnce_report/code_policy/1744099263_Policy_on_Vigil_Mechanism.pdf
13	Policy on determination of Materiality for Disclosure(s)	https://www.himadri.com/home/uploads/govnce_report/code_policy/1746594818_Policy_on_determination_of_Materiality_of_Events_21.04.2025.pdf
14	Dividend Distribution Policy	https://www.himadri.com/home/uploads/govnce_report/code_policy/dividend-distribution-policy-10.02.2023.pdf

xxi. **Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results. [Para A (2A) of Schedule V]**

All transactions with related parties have been disclosed in Financial Statements.

xxii. **Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested;**

During the year under review, no loans and advances was granted to firm/companies in which directors are interested. Loans granted to subsidiaries are given in Notes to the Standalone Financial Statements.

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xxiii. **Details of material subsidiaries of the Company, including the date and place of incorporation and name and date of appointment of statutory auditors of such subsidiaries;**

Name of material subsidiary	AAT Global Limited
Date of incorporation	21-05-2005
Place of incorporation	Hong Kong
Name of appointment of statutory auditors	Sky Best CPA Limited,
Date of appointment of statutory auditors	13 April 2015

xxiv. Other items which are not mentioned in this Report are mentioned in the Board's Report and those items which are not applicable to the Company have not been separately commented upon.

xxv. During the year under review, the Company has not disclosed any information under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations. Hence the same is not applicable

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Annexure VIII

of the Board's Report (Contd.)

Annexure I

Declaration by the Chief Executive Officer

[Pursuant to Regulation 34 (3) {Schedule V Paragraph D} of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Himadri Speciality Chemical Ltd

I, Anurag Choudhary, Chairman Cum Managing Director & Chief Executive Officer of the Company declare that to the best of my knowledge and belief, all the Members of the Board and the designated personnel in the Senior Management Personnel of the Company have affirmed their respective compliance with the applicable Code of Conduct for the financial year ended 31 March 2025.

Sd/-
Anurag Choudhary
Chairman Cum Managing Director & Chief Executive Officer
(DIN: 00173934)
Date: 21 April 2025

Annexure VIII

of the Board's Report (Contd.)

Annexure II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Himadri Speciality Chemical Ltd
23A, Netaji Subhas Road, 8th Floor, Suite No. 15
Kolkata – 700 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Himadri Speciality Chemical Limited having CIN: L27106WB1987PLC042756 and having registered office at 23A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl No	Name of the Director	Designation	DIN	Date of Appointment in Company
1	Anurag Choudhary	Chairman cum Managing Director and CEO	00173934	14/08/2019
2	Shyam Sundar Choudhary	Whole time Director	00173732	28/07/1987
3	Amit Choudhary	Whole time Director	00152358	14/08/2019
4	Gopal Ajay Malpani	Independent Director	02043728	13/08/2021
5	Rita Bhattacharya	Independent Director	03157199	11/08/2022
6	Santimoy Dey*	Independent Director	06875452	27/05/2014
7	Girish Paman Vanvari	Independent Director	07376482	22/06/2021

*Mr. Santimoy Dey (DIN: 06875452) Independent Director has ceased to be an Independent Director upon completion of his second and final term and consequently ceased to be a Director of the Company w.e.f. 23rd September, 2024.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Rajarshi Ghosh
FCS 12595
CP No:8921
UDIN: F012595G000054868

Place: Kolkata
Date: 08.04.2025

Annexure VIII

of the Board's Report (Contd.)

Certificate regarding Compliance of Conditions of Corporate Governance

To
The Members
Himadri Speciality Chemical Ltd
Ruby House
8, India Exchange Place
Kolkata-700001

We have examined the compliance of conditions of Corporate Governance by **Himadri Speciality Chemical Limited** (CIN: L27106WB1987PLC042756) (hereinafter called "the Company") for the financial year ended March 31, 2025 ("Period under Review"), as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and Para C and D of the Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors, the management and the Company's officers, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the Period under Review.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs of the Company.

For **SP & SA Associates**
Practicing Company Secretaries

Sd/-
(Stuti Pithisaria)
Partner
Membership No. A24680
C.P. No.26447
UDIN: A024680G000161069
Peer Review Certificate No. 3607/2023
Date: 21 April 2025

Annexure VIII

of the Board's Report (Contd.)

CEO & CFO CERTIFICATION

To
The Members of
Himadri Speciality Chemical Ltd
23A, Netaji Subhas Road, 8th Floor, Suite No 15,
Kolkata - 700 001

Sub: CEO & CFO certification in terms of Regulation 17(8) of the SEBI (LODR) Regulations, 2015

We,

1) Anurag Choudhary, Chairman Cum Managing Director & Chief Executive Officer and

2) Kamlesh Kumar Agarwal, Chief Financial Officer

Certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31 March 2025 and that to the best of our knowledge and belief:

   1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

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

C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

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

   i) Significant changes in internal control over financial reporting during the year;

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Place: Kolkata
Date: 21 April 2025

Annexure IX

of the Board's Report

Our ESG Foundation:Strategy, Purpose & Progress

Himadri Speciality Chemical Limited remains committed to responsible growth by embedding sustainability into its business model. Our ESG strategy, "Together Towards Tomorrow," is designed to drive environmental stewardship, social well-being for people/communities, continuous value creation for stakeholders, and ethical governance. This strategy covers not only internal operations but also those of our value chain partners.

Himadri delivers sustainable, value-added solutions that address evolving customer needs. This commitment is embodied in the Company's purpose: 'Excelling while innovating'. Himadri extends beyond carbon chemistry to build competencies, perspectives, and partnerships. By leveraging its resident expertise and collaborations, Himadri is empowered to lead, create economic value, protect the environment, and enrich society.

In line with its commitment, the company has embedded Environmental, Social, and Governance (ESG) principles into its operations. As a forward-thinking organization, Himadri is shaping the future through strategic sector choices, innovative products, efficient processes, and responsible practices.

At Himadri, our core philosophy revolves around sustainability and responsibility, ensuring both short-term and long-term value creation. However, the essence of our progress is captured in a single, powerful word—"together."



This principle operates on two levels:

Internal collaboration – At Himadri, we believe that true innovation and value creation stem from the synergistic integration of diverse competencies across our workforce. We harness the unique skills, perspectives, and experiences of our people, combining them with a strong, innovation-driven Research & Development (R&D) culture that is deeply embedded in our organizational DNA.

This integrated approach allows us to drive breakthrough solutions, optimize operational efficiency, and respond proactively to the evolving needs of our stakeholders. By fostering cross-functional collaboration and empowering teams with advanced tools and knowledge, we continuously push the boundaries of product development, sustainability, and process excellence.

Through this alignment of human potential and scientific innovation, Himadri delivers holistic and future-ready solutions that create lasting value for customers, partners, communities, and the environment.

TOGETHER **TOWARDS TOMORROW**

External association – Himadri is driven by a bold and inspiring vision—to enhance lives beyond expectations and shape a future where humanity and nature coexist in harmony. This commitment is not just aspirational; it is embedded in every aspect of how we operate, innovate, and engage with the world around us.

We work tirelessly to create positive, lasting impacts by aligning our business strategies with the broader goals of social well-being and environmental stewardship. Our efforts extend far beyond product excellence—we actively seek to enrich quality of life, empower communities, and contribute to a more sustainable and inclusive world.

Through meaningful stakeholder engagement, we foster open dialogue and collaborative partnerships, encouraging a deeper understanding of shared challenges and opportunities. We believe that transparency and knowledge-sharing are essential to build trust and achieve collective progress. By sharing valuable insights, technological advancements, and sustainability practices, we strive to uplift the communities we serve and inspire broader societal change.

Himadri also collaborates with global partners, industry leaders, and knowledge experts, tapping into diverse expertise to drive innovation, accelerate sustainable

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transformation, and stay ahead in a rapidly evolving global landscape. These collaborations not only fuel our growth but also reinforce our responsibility to be a catalyst for progress—championing a future where people, planet, and prosperity thrive together.

By fostering collaboration ("together") and a future-driven approach ("tomorrow"), we are strengthening our sustainability journey and positioning Himadri for long-term success. At Himadri, our commitment extends beyond the present—we strive to enhance life today while securing a better future. This forward-looking approach ensures our relevance in the world we are experiencing now and the one that is yet to unfold. At Himadri, every decision we make is rooted in our commitment to environmental stewardship, societal well-being, and long-term value creation. We view success not solely as business growth, but as an opportunity to foster shared prosperity that benefits all our stakeholders—creating a positive impact that extends beyond our operations and contributes to a more sustainable and inclusive future.

We aim for sustained, responsible progress, where achievements build lasting stakeholder trust. Our business outcomes are designed to create holistic value—not confined to a single domain but benefiting the entire ecosystem we operate in. This seamless integration of vision, scale, and impact forms the foundation of our sustainability journey and reinforces our core philosophy: "Together Towards Tomorrow."

Himadri remains committed to growth and sustainability. Its encompassing "together towards tomorrow" framework aims to deepen its ESG agenda through four key focus areas designed to promote sustainable practices. These four key areas support cutting-edge research, helping develop innovative and energy-efficient solutions that enhance a culture of trust, growth, inclusivity and shared economic opportunities. This framework also lays down the foundation of advancing our sustainability engagement with value chain partners for a shared dream of future ready Himadri with promoting labour and human rights, environmental stewardship, and diversified economic prosperity.

Sustainability Key Focus Areas for Himadri are as follows:

Environmental Stewardship:

Safeguarding our planet for generation to come

- GHG Emission
- Energy Management
- Water Management
- Waste Management
- Climate Change
- Product Stewardship

Caring for our People:

Creating an engaged and supportive workplace

- Health & Safety
- Human Capital
- Labour Practices
- Comprehensive learning and development

Strengthening value chain and communities:

Enhancing the vitality of our proximate or peripheral communities

- Value Chain (Upstream/ Downstream) Management
- Community Relations
- Collaboration with Customer

Prudent Governance:

Upholding the highest standards of ethics and transparency

- Information Security
- Anti-corruption& bribery
- Defined ethical boundaries
- Fair competition
- Fair business practices

Himadri has fostered a culture rooted in sustainability, innovation, and environmental stewardship. Since its inception, the company has taken a responsible approach, embedding sustainable practices into its operations with a vision to create lasting value for customers, employees, and communities while minimizing its environmental footprint.

Our 4 pillars of sustainability create holistic values for plant, people, and communities by leveraging robust governance practices. Safety and sustainability have always been key priorities for us from the beginning. We have founded our legacy on reusing by-products of other industries by pioneering technologies, furthering a circular business model, continuously enhancing resource efficiency and reducing environmental impact. Sustainability is not just a strategy but a core part of Himadri's identity, shaping its future investments and innovations as it advances towards a greener, cleaner world. Himadri is committed to deliver sustainable, value-added solutions that address evolving customer needs. This commitment is embodied in the Company's

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purpose of 'Together, Towards Tomorrow.' The Company extends beyond chemistry to build competencies, perspectives and partners.

In line with its 'Together, Towards Tomorrow' commitment, Himadri has embedded Environmental, Social, and Governance (ESG) principles into its business model. This model outlines ambitious goals that focus on reducing greenhouse gas emissions, conserving natural resources and nurturing social well-being. We are aligning our sustainability ambitions based on global and national agendas.

UNGC: The UNGC alignment empowers the Company to engage with a global network of businesses, governments and civil society organisations. In turn, this creates onward opportunities for collaboration, innovation and joint development.

UNSDGs: From the business model level, we strive to further 17 UN Sustainable Development Goals (UNSDGs). As a future-ready responsible corporate citizen, Himadri has established a structured organizational framework to actively pursue the attainment of Sustainable Development Goals (SDGs).

Science-Based Targets Initiative (SBTi): This reflects the Company's proactive approach to setting ambitious, science driven targets that support global efforts to limit temperature rise and combat climate change. Through science-based targets, the Company seeks to ensure that its greenhouse gas reduction strategies are enduring, measurable and relevant to the global climate agenda.

Mission LiFE: Himadri also aligns with the Indian Government's Mission LiFE, a nationwide initiative that promotes sustainable lifestyles and reduces activity impact on the environment. Mission LiFE encourages citizens, businesses and communities to support environmental protection and resource conservation through actions.

Global DEI Alliance: This commitment has strengthened the organisational framework and helped build a work environment that embraces individuals of all backgrounds, identities and experiences. The Company recognises that diversity and inclusivity are not just social responsibilities but also business imperatives. By aligning with the Global DEI Alliance, it is embedding the principles of Diversity, Equity and Inclusion into operations — from recruitment and workforce development to leadership, collaboration and innovation. This commitment has strengthened its organizational framework, fostering a workplace that values diverse backgrounds, identities, and experiences.

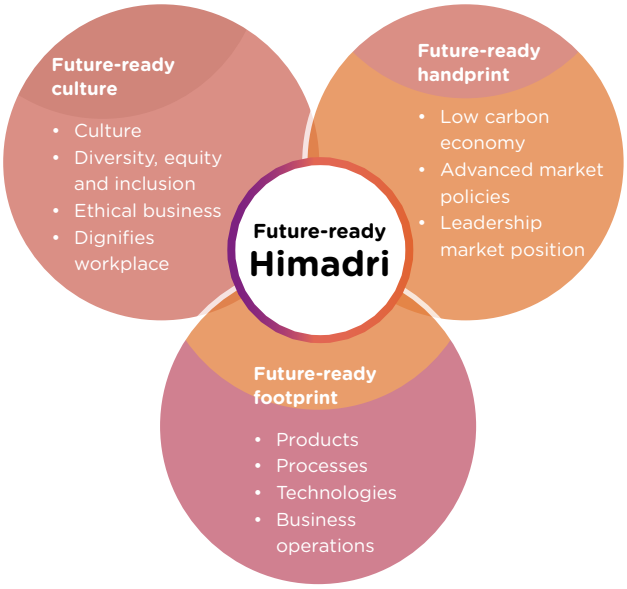
International Council of Chemical Associations (ICCA): During the reporting year, Himadri aligned with the Responsible Care® initiative, supported by the Indian Chemical Council. This global commitment drives continuous improvement and transparent communication in safety, health, and environmental performance. By embedding the seven Responsible Care® codes, Himadri goes beyond regulatory compliance, implementing proactive measures and innovative practices to uphold the highest industry standards. This reinforces its dedication to safety, sustainability, and responsible growth.

International Sustainability and Carbon Certification (ISCC): Himadri is committed to driving sustainability and advancing its environmental stewardship through globally recognized standards. Our adherence to the ISCC underscores our dedication to sustainable raw material sourcing, traceability, and reduced carbon emissions. By aligning with ISCC protocols, we ensure that our products contribute to a circular economy, promoting responsible resource utilization while minimizing our environmental footprint. This certification reflects our pledge towards sustainable growth and reinforces our commitment to global climate goals

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The Company adopted key messages on sustainability to drive its global and national agendas.



As a leader in the speciality chemical sector, Himadri focuses its sustainability efforts on Planet, People, Communities, and Governance. Throughout our journey, we continuously innovate and strive to enhance our ESG (Environmental, Social, and Governance) initiatives, supported by our management and dedicated workforce. These efforts have enabled Himadri to gain global recognition from EcoVadis, a third-party assessor of ESG performance. In our second EcoVadis submission, Himadri proudly secure platinum medal, positioning it self amongst the top 1% organizations assessed by EcoVadis.

During the reporting year, Himadri aligned with Task Force on Climate-related Financial Disclosures, disclosing climate-related information to promote a dialogue with investors and other stakeholders. The Company participated in its first evaluation by the Carbon Disclosure Project where we positioned ourselves strongly by securing B rating in climate change and water stewardship disclosures .

Himadri's engagement with British Safety Council helps advance workplace health and safety. The esteemed British Safety Council provides training, certifications and audits to strengthen health and safety protocol. During the current reporting year, Himadri has been conferred with the prestigious British Safety Council Merit award.

Governance & Ethical Business Practices

Himadri's Environmental, Social, and Governance (ESG) framework is designed to be robust and adaptable, enabling the Company to respond proactively to global shifts, drive sustainable expansion, and address challenges across short-term, mid-term, and long-term horizons.

At the core of this ESG agenda is a team of experienced committee members who provide strategic oversight and data-driven decision-making. The Board of Directors plays a pivotal role, overseeing ESG-related risks, opportunities, and governance, while the CMD-CEO and functional teams take responsibility for on-the-ground execution and integration of ESG principles into daily operations.

Recognizing climate change as a critical governance issue, the Board ensures that climate considerations are embedded in the Company's strategic discussions, investment decisions, risk assessments, and performance evaluations. Board members bring diverse expertise across finance, governance, natural resources, and public policy, ensuring a comprehensive and forward-thinking approach to sustainability.

Himadri believes that businesses have the power to drive lasting social, economic, and environmental transformation. Every employee upholds the highest standards of integrity, responsibility, and transparency, ensuring that sustainability remains a core business priority. By embedding ESG stewardship into its operations, Himadri advances its sustainable growth strategy, ensuring a positive impact on society and the environment. Ensuring the highest standards of governance by promoting transparency, ethical







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conduct and accountability across all buisness activities. By embedding ESG into its core business strategy, Himadri is committed to create long-term value for all stakeholders and actively contributing to a more sustainable and equitable future. Himadri's sustainability governance structure is shown below:

At Himadri, the ESG Committee of the Board plays a pivotal role in establishing and enforcing compliance standards to ensure ethical business conduct. Its primary objective is to prevent or, at the very least, minimize compliance violations and associated risks, fostering a culture of accountability and integrity.

Functionaries

- Holds accountability and oversight for all sustainability matters
- Oversees sustainability strategies and initiatives
- Outlines the main targets, reviews performance and progress
- Approves Group sustainability-related policies
- Receives reports from CSO on Sustainability initiatives
- Monitors Group progress against sustainability objectives
- Communicates with regulatory bodies, internal and external stakeholders with transparency

Oversight and Accountability

- Culture and values
- Human rights
- Health and safety
- Climate change
- Product quality and quality performance
- Gender diversity
- Anti-bribery and Anti-corruption
- Environmental matters
- Biodiversity
- Talent management
- Supply chain/responsible sourcing

ESG Committee at Board

Mr. Anurag Choudhary
Chairman-Managing Director and CEO

Mr. Amit Choudhary
Executive Director

Mr. Gopal Ajay Malpani
Independent Director

Chairman-Managing Director and Chief Executive Officer

ESG Council

CMD & CEO
Business Head,
New Energy Materials Division
Chief Financial Officer (CFO)
Chief Sustainability Officer (CSO)
Business President, Carbon Black Division
Executive Vice President,
Coal Tar Division and Strategy
President, Carbon Black Division
Vice President, Human Resource
Company Secretary and Compliance Officer

Chief Sustainability Officer

Sustainability Steering Committee

Unit Head-Chairman
Process Head-member
Engineering Head-member
Purchase Head-member
HR Head-member
HSE Head-member
CPP In-charge-member
Logistics head-member

Functionaries

- Executes strategies, setting priorities
- Oversees the plants sustainability activity
- Monitors progress against the targets
- Ensures compliances

Functionaries

- Oversees major elements of sustainability matters
- Deploys initiatives to further the Company's sustainability aspirations
- Monitors sustainability activities and operations
- Preparation and publication of the Company's sustainability reports
- Reports to the Sustainability Committee at Board
- Issues disclosures in accordance with global and national practices

Oversight and Accountability

- Oversees the Sustainability Steering Committee
- Monitors the overall progress on the Company's sustainability metrics and targets
- Assists the Sustainability Committee at Board in assessing the implications of long-term climate-related risks and opportunities
- Assists the Sustainability Committee at Board in elaborating strategies and setting priorities

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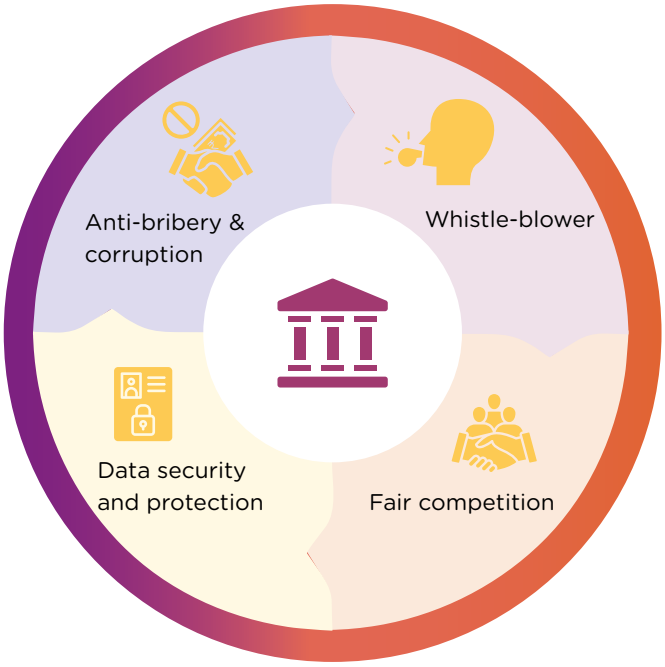
The CMD-CEO, as the highest decision-making authority, has made it clear that compliance violations must be promptly identified, addressed, and met with appropriate corrective actions. The ESG Council is responsible for upholding Himadri's values, ensuring that the compliance management system remains effective, aligned with regulations, and continuously improved.

To mitigate compliance risks—particularly those related to sustainability, anti-bribery, corruption, and fair competition—Himadri implements a structured approach that includes:

- Regular audits and due diligence across all business activities and locations.
- Comprehensive risk analyses conducted by each business unit to proactively identify potential vulnerabilities.
- Binding standards issued by the ESG Council, developed in collaboration with the ESG Committee at the Board level.

As compliance landscapes evolve, management bodies continually assess significant changes and adjust policies accordingly. Periodic risk analyses are conducted in critical compliance areas, including anti-corruption, antitrust regulations, and money laundering prevention, ensuring that Himadri remains a leader in ethical and responsible business practices.

By embedding rigorous compliance management into its ESG framework, Himadri safeguards its business operations, upholds regulatory integrity, and reinforces its commitment to sustainable and ethical growth.



Anti-Bribery & Corruption Policy

Himadri's anti-bribery and corruption framework cultivates integrity across business operations. This framework provides guidelines for employees, contractors and third-party stakeholders to prevent unethical practices (bribery, facilitation payments and gifts) that could influence business decisions. Some of the key features of this policy are:

- Mandatory training and awareness
- Zero tolerance
- Compliance and continuous monitoring

Fair Competition & Ethical Business Conduct

Himadri is dedicated to operating within a fair, transparent, and competitive market, fully adhering to antitrust and competition laws. This commitment is embedded in the Company's governance framework, ensuring that all business activities are conducted with integrity, accountability, and in compliance with global regulatory standards.

The framework encompasses:

- Market compliance
- Fair practices
- Mandatory training and awareness

By integrating these principles, Himadri promotes healthy market competition, safeguards stakeholder interests, and reinforces its reputation as a responsible corporate entity committed to ethical business conduct.

Data Protection and Security Framework

Digital data safety is paramount. Himadri's data protection and security framework is aligned with national data privacy regulations, such as the Digital Personal Data Protection Act 2023 (DPDPA), ensuring that personal and Company data are protected against unauthorised access, breaches, or misuse. Key features of this frameworks are:

- Data encryption and security protocols
- Data governance
- Mandatory training and awareness

Whistle-blower policy

Himadri's framework upholds transparency and accountability by providing employees and stakeholders with a secure, confidential, and retaliation-free mechanism to report unethical practices. The Company has established a structured whistle-blower policy and hotline, allowing individuals to report concerns anonymously. To foster a

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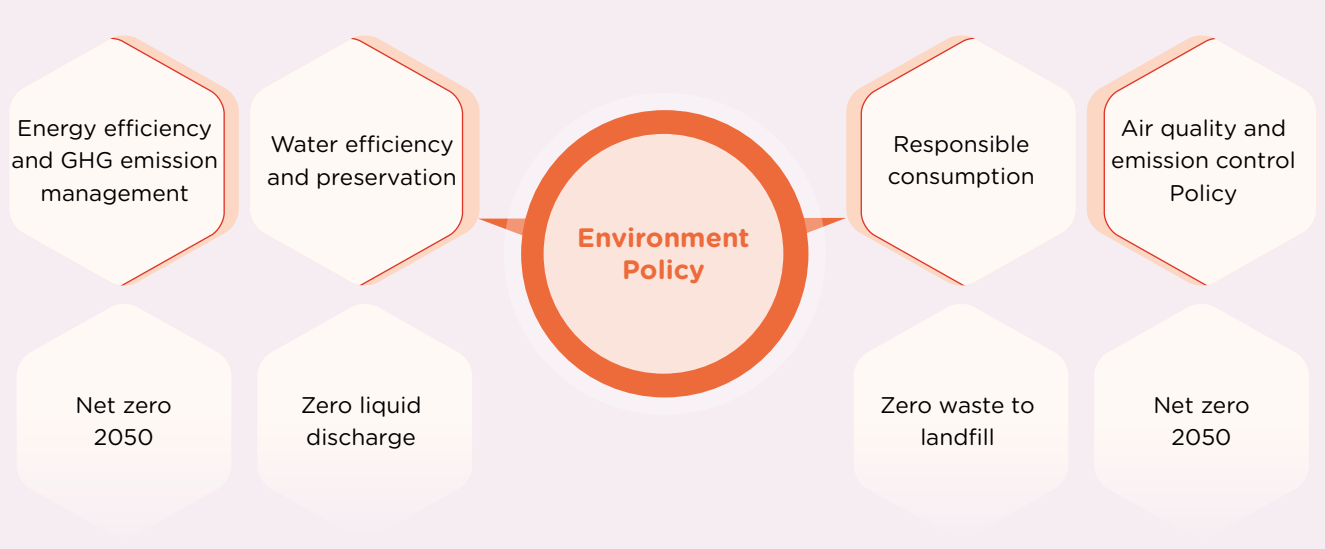
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culture of trust and integrity, Himadri ensures strict non-retaliation measures, protecting whistle-blowers from any adverse consequences. All reported concerns are handled independently, fairly, and promptly, reinforcing ethical business conduct. Regular awareness and training initiatives further strengthen this commitment, ensuring employees understand their ethical responsibilities and the importance of reporting misconduct. By embedding these principles into its governance framework, Himadri cultivates a fair, ethical, and responsible work environment. Key features of this frameworks are as follows:

- Confidential reporting channel
- Protection from retaliation
- Third party audits

Act Responsibly for The Planet

Himadri is focused on reducing its carbon footprint, optimizing resource efficiency, and integrating cleaner technologies. Deriving from the conducted Corporate Sustainability Reporting Directives (CSRD) recommended double materiality analysis, Himadri recognises its responsibility to minimise its environmental impact. The Company has set ambitious targets and implemented robust measures to achieve its goals. Key sustainability priorities identified through a comprehensive materiality analysis include climate change mitigation, GHG emissions reduction, energy and water management, product stewardship, waste management, and circular economy promotion. These initiatives are supported by an integrated environmental management system that complies with legal standards, internal policies, and standard operating procedures, ensuring that the Company extends beyond compliance to continuously improve environmental performance. As a forward-thinking organisation, Himadri addresses climate change, marked by extreme weather events. The Company is committed to reduce all climate-relevant emissions and minimise the environmental impact of its operations. To manage climate-related risks and opportunities across its value chain, the Board's ESG Committee, complemented by the Audit Committee and ESG Council, leads efforts to address these challenges. At Himadri, addressing climate risks is one thing; it is imperative to seize opportunities through strategic policies and actions as well. Himadri deployed policies addressing key environmental factors pertinent to the speciality chemicals sector, aligning with global and national goals. The Company's environmental policies and frameworks are outlined below:



Other environmental Policies where Himadri laid frameworks and action plans.

- Biodiversity policy- No net loss to Biodiversity
- Product end of life policy- promote Circularity
- Customer health, safety and environment policy- Safety by Design.
- Environmental services and Advocacy policy- Global Advocacy Alignment.

Greenhouse Gas (GHG) Emissions Reduction & Energy Optimization

As a leading global provider of speciality chemicals and performance products, Himadri is committed to the efficient and safe use of natural resources to manufacture and distribute products with minimal environmental impact.

Recognizing the far-reaching effects of environmental challenges, we strive to develop innovative solutions that address sustainability concerns for our customers, communities, and the planet. In line with India's vision,

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we are dedicated to combating climate change by reducing greenhouse gas emissions and achieving net-zero by 2050.

During the reporting year, the company has publicly published the net-zero 2050 roadmap. In accordance with SBTi guidelines, our net-zero roadmap has been clearly distributed into short-term, mid-term, and long-term business goals and strategies.

Short-term- The Company aims to achieve climate change resilience by incorporating diverse fuels and minimizing energy consumption. These are expected to reduce carbon footprint at the corporate and product levels. The Company is exploring product end-of-life recycling initiatives and is committed to reduce emissions across the value chain. The Company implemented a comprehensive sustainable procurement policy. During the reporting year, it launched an outreach programme for value chain partners to assess their alignment with our sustainability journey. Key initiatives during the short-term phase are given below:

- Develop a structured climate resilience strategy to address identified climate risks.
- Establish mandatory mitigation guidelines for all new projects, mergers, and acquisitions, incorporating energy efficiency and diversified fuel sources.
- Integrate de-carbonization goals into the annual business planning process.
- Embed climate-related KPIs into performance evaluations for executives and managers.
- Implement a supplier engagement program to drive climate action across the value chain.
- Collaborate with communities to enhance climate resilience and integrate adaptation measures into CSR initiatives based on identified risks.
- Launch a carbon capture pilot project to explore emission reduction opportunities.
- Expand renewable energy adoption wherever feasible.
- Promote a circular economy through recycling and resource efficiency initiatives.
- Reduce both upstream and downstream emissions to minimize the overall carbon footprint.

Mid-term- The Company is accelerating green initiatives to reduce its carbon footprint. In the pursuit of net-zero emissions, it plans to integrate feasible and sustainable next-generation fuels into operations, adopting innovative energy solutions that reflect a commitment to environmental stewardship. As part of its corporate strategy, the Company sets an ambitious goal to electrify its entire operation. This transition to electric power is intended to significantly reduce its reliance on fossil fuels, moderating greenhouse gas emissions. By leveraging advanced technologies and renewable energy, it aims to make operations efficient and eco-friendly. In this phase, the Company will emphasise on emissions reduction across the value chain. It recognises that sustainability must extend beyond its operations to include its suppliers and partners as well. To this end, the Company is implementing comprehensive measures to assess and mitigate value chain emissions, ensuring that each link in its supply chain aligns with environmental goals. Through collaboration and innovation, the Company aims to set a new sectorial standard for sustainability. Key initiatives during this phase are as follows:

- Identify and pilot green business opportunities, including energy storage technologies, low-carbon footprint grades of carbon black and coal tar pitch.
- Identify specific areas for policy advocacy, such as policies aimed at mitigating technological and contractual barriers to moving away from coal and addressing infrastructural bottlenecks for cleaner fuel use.
- Identify opportunities arising from the implementation of carbon taxes in operations
- Develop a climate-resilient infrastructure.

Long-term- The Company is committed to scaling proven technologies and positioning itself as a future-ready leader. In this phase, it will integrate next-generation technologies across operations, ensuring it remains at the forefront of innovation and sustainability. By adopting advanced digital tools, automation, and smart systems, the Company aims to enhance efficiency, reduce environmental impact, and drive sustainable growth. This includes the incorporation of renewable geothermal energy solutions and energy-efficient technologies to lower its carbon footprint. This holistic approach will not only make operations more sustainable but also resilient to evolving challenges. Himadri's commitment to technological advancement reflects its dedication to continuous improvement, environmental responsibility, and long-term stakeholder value, strengthening its global competitiveness. Some of the key initiatives during this time frame are given below:

- Update the Net Zero plan, taking into consideration new regulatory, market requirements and achievements with short to medium-term targets.
- Develop and implement a Just Transition plan.
- Scale the use of renewable fuels and energy for transportation.
- Initiate the consumption of renewable geo-thermal energy.
- Integrate carbon capture across all business units.

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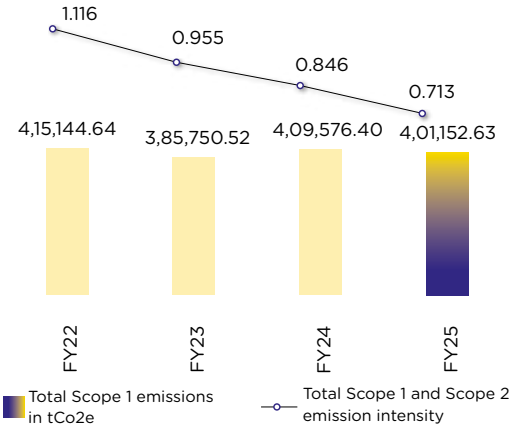
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Group level objectives/KPIs to drive our Net-Zero 2050 vision are

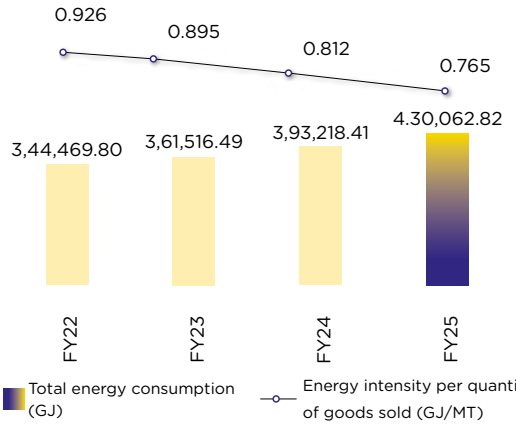
- Reduce energy intensity/Mt of product sold by 10% by 2025 against baseline (2021)
- Reduce Scope 1&2 CO2e emission intensity/Mt of product sold by 25% by 2025 against baseline (2021)
- Reduce Scope 3 CO2e emission intensity/Mt of product sold by 5% by 2025 against baseline (2023)

Apart from the regulatory requirement, Himadri always recalibrate its efforts to push further its ambitions once a landmark is achieved. During the reporting year, all our group level targets are achieved with help of strategic guidance from the leadership and efforts made by our employees and workers .

GHG Emission Trend



Energy Intensity Trend



As mandated by our comprehensive Energy Management framework, energy audit is to be conducted in every three years by engaging independent external third party. Additionally, our in house energy managers regularly conduct energy review as per instructions from Bureau of Energy Efficiency (BEE), Government of India. Moreover, GHG calculations/ Carbon accounting takes place every year by engaging external third party and internal team. GHG accounting data are subsequently verified by another independent third party verifier.

Aligning with the outcome of energy audit, we have begun implementation of digital energy management system at Carbon Black Division, Mahistikry location. We have installed Smart Comm software by L&T Electrical and Automation for energy management system. In Carbon Black Division, new smart meters are installed in generating unit and different Process distribution section and sub section to monitor auxiliary power consumption trend in different sections. Specific energy consumptions at different processes and sections can be easily analysed with the installed system.

Himadri has replaced the conventional fuel oil heating system with a steam heating system in its new 480Ton per day Coal Tar Distillation project. By switching to steam energy, the company benefits from improved heating performance, potentially lower energy costs, reduced GHG emissions, lower maintenance requirements.

Himadri has undertaken strategic initiatives to reduce energy consumption by implementing sustainable solutions across its operations.

Glimpse of capex undertaken in FY 24-25 to advance environmental stewardship

Reclaiming Waste Heat from Line #3 Secondary APH:

Previously, hot air (around 350°C) from our Line #3 process was being released into the atmosphere. This waste heat stored valuable energy that could support our boiler operations. Following energy audit recommendations, we installed a duct to redirect this hot air into Boiler #3. This reduced the reliance on ambient air (~30°C), improving boiler efficiency and reducing fuel consumption. Steam generation increased from 69.14 to 73.86 TPH using the same amount of fuel. The use of hot air also replaced diesel during maintenance and lowered the power demand of the fans. This initiative saved over 9,559 MWh of energy annually and cut approximately 4,588 tons of CO_2 emissions.

Smarter Control of Boiler Feed Pumps Using VFDs:

Our boiler feed pump was previously delivering more pressure than necessary, leading to energy losses. To address this, we implemented an advanced control system that adjusts pump speed based on real-time demand. Variable Frequency Drives (VFDs) were added to fine-tune the pump's output. This optimization reduced the discharge pressure from 81 to 75 kg/cm^2, bringing it closer to the actual requirement. As a result, the system's energy use decreased by 204 MWh per year, and 98 tons of CO_2 emissions were reduced, enhancing both efficiency and environmental performance.

Optimizing CO Pump Pressure with Impeller De-staging:

Some of our CO pumps were producing more pressure than required, causing unnecessary energy use and

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system wear. Instead of installing electronic controls, we applied a mechanical solution: removing two impeller stages from the pump. This reduced the discharge pressure to a more suitable 35 kg/cm^2 and eliminated excess recirculation. The change lowered the pump's energy consumption from 109 to 84 kWh, resulting in annual energy savings of 213 MWh and a CO_2 emissions reduction of about 102 tons.

Sealing Leaks in the Compressed Air System:

A detailed survey revealed that 12.5% of our compressed air was being lost through undetected leaks. Using ultrasonic equipment, we identified and sealed these leaks, reducing overall air loss to 9.8%. This action recovered around 202.7 CMH of compressed air and improved system efficiency. The improvement translated into an annual energy saving of 177.6 MWh and a reduction of 85 tons of CO_2 emissions. This simple yet effective measure helped optimize one of our most energy-intensive utilities.

Installing Zero-Loss Drains in the Compressed Air System:

Earlier our air drainage system operated on a timer, releasing compressed air every minute regardless of actual need. This led to continuous loss of air and energy. We replaced these with zero-loss drains that only activate when moisture is present. This upgrade was implemented on both the 6-bar and 12-bar compressor lines. Together, the systems saved 320 MWh of energy per year and reduced 147 tons of CO_2 emissions, all through a simple automation improvement.

Water Management

Himadri continues to focus on established water management initiatives, including monitoring water stress levels across relevant sites. Adequate water availability for cooling and production processes is essential. Himadri implemented regular analyses of short, medium and long-term water risks across sites. During the reporting period, Himadri widened its water stress assessments to encompass a comprehensive evaluation of water related risks. Himadri is committed to sustainable water management, adopting advanced technologies and practices to reduce freshwater consumption, recycle wastewater and mitigate environmental impact.

Water risk analysis and reduction goals: Himadri utilises the WRI Aqueduct tool to analyse physical risks such as water stress, flooding and water quality. The Company conducts water risk assessments based on water basins and site-specific water use. With a goal to reduce specific freshwater intake by 20% relative to production volume between 2021 and 2026, Himadri has implemented various measures across its production sites. All Himadri plants employ Zero Liquid Discharge (ZLD) technology through an Effluent Treatment Plant (ETP) integrated with a Water Recovery Plant (WRP). This system ensures wastewater recycling and efficient reuse, significantly reducing groundwater consumption.

We also aim at enhancing water efficiency, by adhering to the National Action Plan on Climate Change (NAPCC) with advanced water-saving technologies for improved water management. We will align with the National Water Mission by monitoring and minimizing water withdrawal and consumption. Additionally, the purpose of this framework is to outline the procedures and responsibilities for monitoring and managing waste water quality at Himadri. The objectives are to:

- Achieve and exceed Zero Liquid Discharge (ZLD) objectives.
- Reduce the intensity of fresh ground water withdrawal by 20% by 2026 against baseline (2021).
- Reduce daily water consumption by 20% by 2026 against baseline (2021)
- Enhance capabilities to recycle and repurpose water resources, ensuring a minimal ecological footprint.
- Maintain consistent and transparent disclosure of advancements to uphold accountability and stakeholder trust. Himadri is committed to environmental sustainability with Zero Liquid Discharge (ZLD) through the comprehensive reuse of wastewater from our processes. Our advanced Effluent Treatment Plant (ETP) and Water Recovery Plant (WRP) are pivotal in this endeavor.

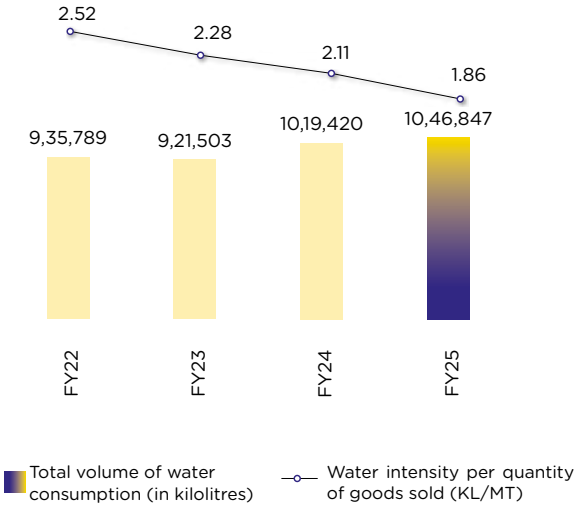
As mandated by our comprehensive Water Management framework, water audit including water withdrawal, water consumption and waste, is to be conducted in every three years by engaging independent external third party. Additionally, our in house internal auditors regularly conduct water withdrawal and consumption review as per instructions from Ministry of Jalshakti, Government of India. Moreover, water conservation projects and their impact is monitored every year by engaging external third party and internal team. Water management data are subsequently verified by another independent third party verifier.

At Himadri, we have implemented an efficient condensate recovery system, which enables operation to recover 60% of the low-pressure (LP) steam used in all equipment, line tracing and coils. Through an efficient vapour trap system, we condense water from LP vapour, effectively reducing our groundwater usage.

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Water Intensity



Responsible Consumption

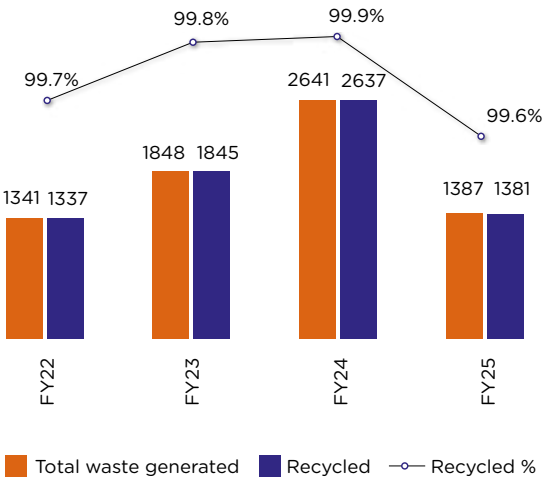
Himadri's efforts to reduce production waste are guided by a principle: Avoid Waste. If avoidance is not possible, waste should be recycled or used in energy generation. If recycling or energy generation is not feasible, waste should be disposed safely. The need to establish high-level circular economies that support sustainable economic growth is increasingly critical. Given the planet's finite resources, rising lifestyle standards and growing resources demand on account of a rising global population, conventional one-way economic models will no longer be able to sustain prosperous lifestyles and cultures going ahead. To stimulate economic activity and move to a decarbonised society, it will be essential to reduce the use of fossil-based plastics while addressing a growing demand for plastics. In this context, Himadri acknowledges the growing importance of reducing plastic consumption and enhancing recycling. In addition to plastics and hazardous waste, Himadri's waste management initiatives encompass a wide range of Key Performance Indicators (detailed below).

- Achieve <1% waste to landfill intensity by 2026 against baseline (2021)
- Increase the use of non- virgin raw materials sourced externally to over 95% in production processes
- Ensure 100% compliance with regulators

Process optimisation is central to Himadri. This includes processing of substance streams and the application of the 3R principle (reduce, reuse, recycle) across operational sites. Where waste cannot be avoided, the focus is on mechanical or thermal reprocessing. At Himadri's sites, various types of recyclable waste — plastics, glass, paper, food waste, and wood—are segregated and dispatched to external recycling firms approved by regional pollution control boards. The Company monitors these firms through audits to ensure their corresponding compliance with statutory provisions. Himadri adheres to the recommendations of state government waste management authorities related to handling hazardous wastes like effluent sludge, oil-contaminated gloves, jute and soak sand. It employs vendors authorised by the pollution control boards. The Company reintroduced recycled products as inputs following the end-of-life phase of its products. Himadri leverages the benefit of integrated production sites and systems for systematic waste management. Byproducts from one production process are repurposed as raw materials of other products, widening the value chain. The Company sources raw materials from other sectorial by-products (coal tar and carbon black feedstock). In addition to reprocessing, waste with high calorific value (substitute fuel) is used to produce energy, reducing a reliance on primary fossil fuels and moderating Company's carbon footprint.

In the context of a circular economy, using Anthracene oil derived from coal tar as a feedstock for carbon black production is an innovative and sustainable approach that significantly contributes to resource efficiency and environmental sustainability. Coal tar, a by-product of coal processing, contains a variety of valuable chemical compounds, including Anthracene oil. Traditionally, Anthracene oil had Limited scope industrially or got disposed of, contributing to environmental pollution. By redirecting Anthracene oil into the carbon black production process, Himadri is not only creating a valuable industrial product but also closing the loop in the life cycle of coal tar derivatives, ensuring that fewer resources go to waste. Additionally, the circularity of this process is critical for minimizing the carbon footprint of the carbon black industry. By integrating the use of a by-product into the production process, total emission reduction is achieved by 45% compared to Anthracene Oil disposal and combustion.

Waste Recycling



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Ensuring Care for Our People and Communities



At Himadri, we deeply value our people as our greatest asset and are committed to creating meaningful impact for the communities connected to our business. We believe that true success is not just measured in financial growth but also in the value we generate for our employees, partners, and society. By integrating sustainability across our operations, we strive to uplift, empower, and enrich the lives of those who contribute to and benefit from our value chain.

Occupational Health and Safety (OHS) is at the heart of our corporate framework and an essential pillar of our workplace culture. Our unwavering commitment is to ensure that every individual—whether an employee, contractor, or business partner—returns home safely each day. By prioritizing safety, well-being, and professional development, we are building a workplace where people thrive, businesses grow, and communities prosper—together. The Company's occupational health and safety vision Zero Accident/Incident is grounded in a proactive framework focused on four pillars - Learning, Culture, Commitment and Communication. This vision is dedicated to create a safe, healthy work environment. By implementing comprehensive safety measures, proactive risk management and continuous training, the vision strives to eliminate workplace accidents and incidents. This commitment promotes care, accountability and excellence in health and safety practices, ensuring that every individual returns home safely from work.

Himadri's journey from traditional safety approaches to Vision Zero Incident/ Accident philosophy focuses on specific targets to prevent accidents, while Vision Zero views safety as an integral journey and part of the business Traditional safety management often comprises programmes led by designated individuals and measures performance through injury benchmarks. In Order to achieve what we aspire for, Himadri establishes comprehensive occupational health and safety policies and frameworks with clear Objectives as shown below.

Himadri's philosophy of 'Together, Towards Tomorrow' reflects its mission to 'create a sustainable planet' by addressing environmental concerns and people well-being. As a signatory of the United Nations Global Compact, the Company prioritises health and safety as fundamental to responsible practices. Himadri implements safety protocols, training and monitoring to mitigate workplace hazards, deepening its commitment to long-term.

Occupational Health & Safety

At Himadri, occupational health and safety (OHS) is a top priority, embedded in every aspect of our operations. Our proactive and structured approach ensures a safe and secure workplace, fostering a culture where employee well-being is paramount.

Our OHS management system is built on a comprehensive risk assessment framework, enabling us to identify, evaluate, and mitigate potential safety hazards before they pose a risk. By conducting detailed risk profiling, we proactively implement preventive and corrective measures, minimizing workplace incidents and ensuring operational continuity.

Himadri's OHS framework is fully aligned with global industry standards, including ISO 45001 (Occupational Health and Safety Management) and SA 8000 (Social Accountability). This structured, industry-compliant approach not only safeguards our employees but also extends to third-party contractors, visitors, and stakeholders across our operations.

Through continuous training, monitoring, and adherence to best practices, we reinforce a safety-first culture, ensuring that every individual in our workplace feels protected, valued, and empowered to contribute to a healthy and resilient work environment.

Key deliverables concerning OHS for Himadri are given below:

- Zero Accident Vision – Achieving and Sustaining Zero LTIFR
- Comprehensive HSE framework – Deployment of culture building tools, Non-negotiable Standards, Comprehensive Risk assessment and mitigation of significant risk, processes/ Engineering, emergency preparedness etc.
- Addressing failure (accident, dangerous occurrences) initiating comprehensive investigation and closing the loop deploying requisite actions
- Statutory Audit as per IS 14489

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- Deployment of ISO 45001 management systems for all the plants
- SA 8000:2014 Compliance
- Implementation of emergency preparedness plan
- Fire Safety Audit
- Electrical Safety Audit

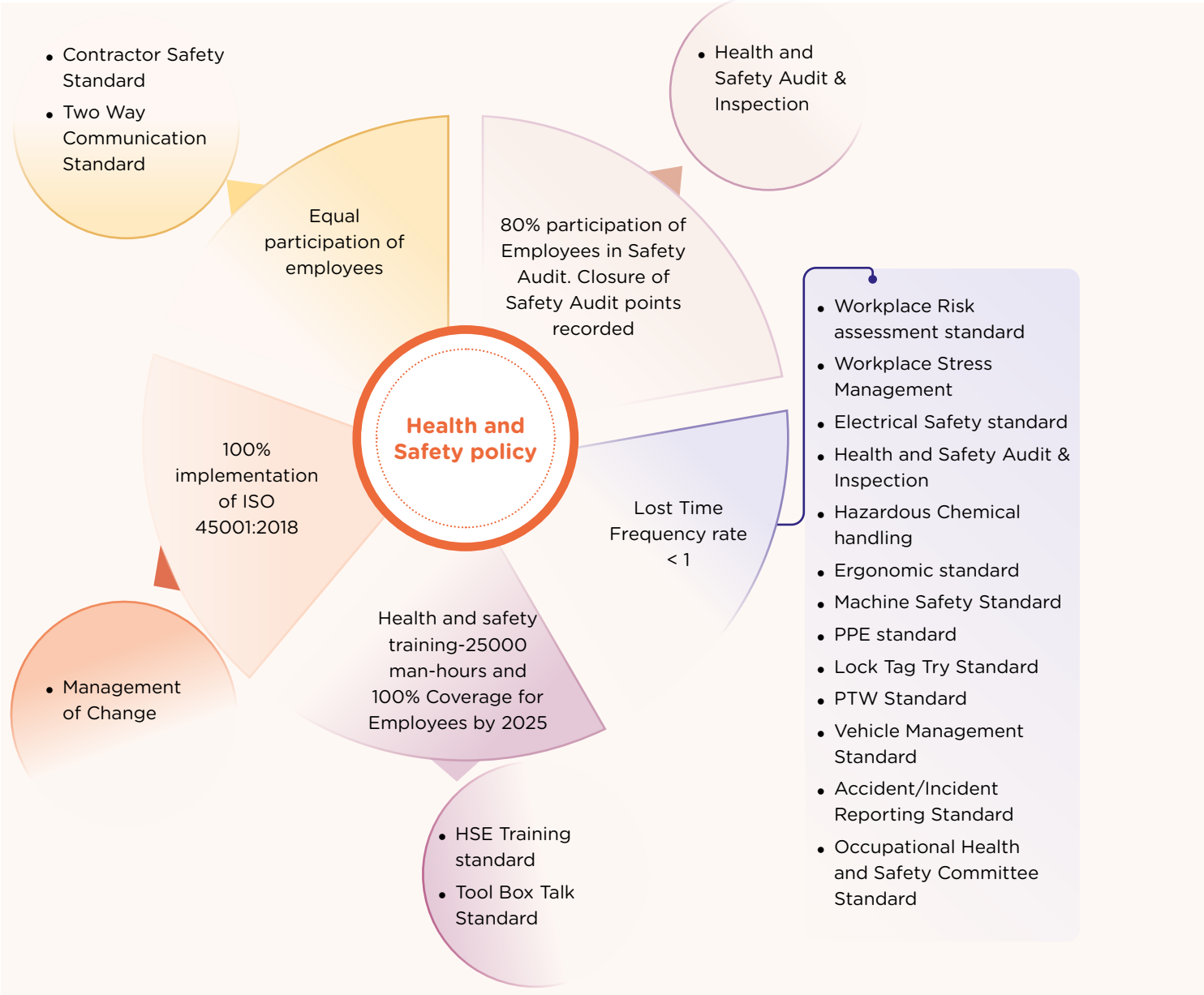
Himadri's occupational health strategy focuses on a cycle of strategies to ensure a safe and supportive workplace. These include Risk Assessment, Standardization of Procedures, Workplace Health, Training on Occupational Health, Management of Occupational Hygiene, Occupational Health Services, Rehabilitation and Institutional Support for work-related injuries or illnesses, Internal/External Audits and Continual Improvement. The focus is on identifying potential hazards, evaluating risks, creating consistent safety protocols, promoting physical and mental well-being, maintaining hygiene standards, providing medical support and providing rehabilitation and institutional support for employees. Risk assessment is essential for identifying, evaluating and mitigating workplace hazards to protect employee safety and wellbeing. Himadri follows a general Risk Assessment, categorizing risks into high, medium, and low levels. High and medium risks are reviewed monthly by Top Management at the ESG council level. At Himadri we have established Occupational Health Centre (OHC) to take care the Medical issues of employee and workers (including third party). Additionally, being a speciality chemical manufacturer, Himadri has implemented proactive measures for the safe and secure handling of hazardous chemicals through a structured framework. Himadri has developed a comprehensive standard that outlines the procedures for handling, storage and disposal of hazardous chemicals to prevent accidents and exposure. Regular training sessions for employees and workers are organized in alignment the SDS instructions in accordance with the Globally Harmonized System. Additionally, we are providing specific PPEs for mitigating the risk of chemical exposures to our front-line workforce.

Himadri's health and safety policy has been carefully developed and extended to cover not only employees but also all non-employee workmen, such as contractors, temporary staff and external labors. This means that the safety protocols, risk management procedures and standards that apply to regular employees have also been communicated(percolated) and enforced for non-employee workmen working on Himadri's premises. By doing so, Himadri ensures that all individuals regardless of their employment status are equally protected from occupational hazards and receive the necessary safety training and are provided with the appropriate equipment and guidance to maintain a safe working environment. This is in line with their broader commitment to health and safety standards ensuring compliance and a safe work culture at workplace. Moreover, Himadri has implemented a comprehensive and robust framework to ensure the health and safety of non-employee workers on its premises. This framework is designed to protect all individuals, including contractors, vendors and temporary workers by adhering to stringent safety standards and ensuring these individuals are fully trained in applicable protocols.



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However, we understand occupational health and safety is a dynamic culture building exercise. Hence being a ISO 45001 and SA 8000 compliant organization, we are devoted to implement and enhance practices that ensure the safety and well-being of their employees and workers (including third party) which are basically mapped and correlated with our internal training standard aligned with the guidelines and norms of International and National authorities. This involves identifying potential hazards, assessing risks, awareness related training on Standard Operating Procedures (SOPs) and Standardized work instructions (SWIs), Online LMS Platform (internal – at Himadri Utkarsh Platform and External – Through Eco Vadis and British Safety council platform) establishing controls to prevent workplace injuries and illnesses. Implemented modes of trainings are Classroom Training, Online Training (E-Learning), Hands-On Training (Practical Training), Drills, Interactive Workshops, Induction Safety Training, Competency-Based Training, Lesson Learning, Refresher Training.

Empowering People and Nurturing Well-being

At Himadri, we believe that our people are the driving force behind our success. Our commitment to talent management is deeply rooted in our 'Together, Towards Tomorrow' philosophy, where we strive to create long-

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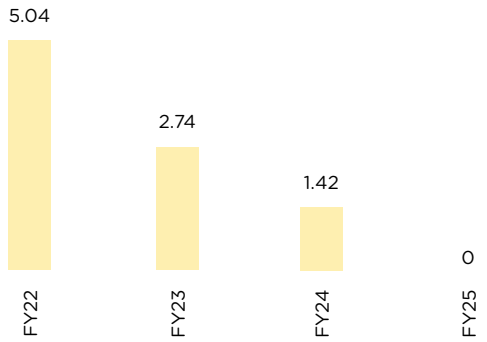
term value in a sustainable, ethical, and inclusive manner. By fostering deep, meaningful relationships across our business and industry, we not only enhance organizational growth but also contribute to improving quality of life for our employees and communities.

Our human resource function is the backbone of our commitment to a respectful, diverse, and empowering work environment. We recognize that a safe, inclusive, and values-driven workplace is fundamental to unlocking the full potential of our workforce. Through initiatives focused on professional development, employee well-being, and ethical leadership, we ensure that every individual feels valued, respected, and motivated to contribute to a shared vision.

At the core of our people-centric approach is Himadri's ethical framework, which prioritizes integrity, fairness, and human dignity. We implement stringent policies to uphold workplace ethics, prevent violations, and hold all stakeholders accountable. By championing transparency and responsibility, we create a culture of trust and shared purpose.

Our commitment goes beyond compliance—it is about creating opportunities for personal and professional growth. By providing employees with a supportive, innovative, and purpose-driven work environment, we enable them to thrive and drive collective success. Together, we are shaping a resilient, forward-thinking workforce that is prepared to lead the way toward a better, more sustainable future.

Lost Time Injury Frequency Rate (LTIFR)



Key Human Resources Policies

Human Rights

Zero Violation of Human Rights

Prevention of Child and Forced Labour

Zero Tolerance to Child and Forced Labour

Whistle-blower Policy

Timely intervention Leads to Prevention

Diversity, Equity and Inclusion

25% Diversity Representation by 2030

Anti-discrimination and Harassment Policy

Zero tolerance to Discrimination and Harassment

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Some of the key objectives by which our efforts are driven, are shown below:

- Zero incidence of human rights violation
- Zero incidence of child and forced labour
- Zero incidence of workplace harassment and discrimination
- Increase in female representation in management team (vs 2021)

At Himadri, we are deeply committed to uphold human dignity and respect human rights across all our operations and business relationships. Our approach is rooted in the belief that every individual deserves to be treated with fairness, equality, and respect. We integrate human rights considerations into our processes and decision-making, ensuring that our actions foster a just, ethical, and inclusive work environment.

Our Human Rights Policy sets a clear framework for ethical conduct, defining expectations for employees, leadership, suppliers, and business partners. The policy reinforces key principles such as labour rights, non-discrimination, environmental stewardship, and anti-corruption practices. By aligning with global ethical standards, including the United Nations Global Compact, we demonstrate our unwavering commitment to responsible and sustainable business practices.

Stakeholder engagement is a core aspect of our human rights approach. We actively engage in open dialogues with our stakeholders, fostering mutual understanding and collaboration. Our integration of Responsible Care principles ensures continuous improvements in environmental protection, health, and workplace safety.

In reinforcing our commitment to non-violence and ethical security practices, we ensure that all security personnel are unarmed and trained to handle on-premise responsibilities professionally and respectfully. These measures guarantee that conflicts, if any, are resolved with dignity and fairness, safeguarding the well-being of all individuals within our ecosystem.

Through strong policies, responsible business conduct, and proactive initiatives, we continue to champion human rights, ethical business practices, and social responsibility—creating a work environment where all individuals can thrive, contribute, and grow.

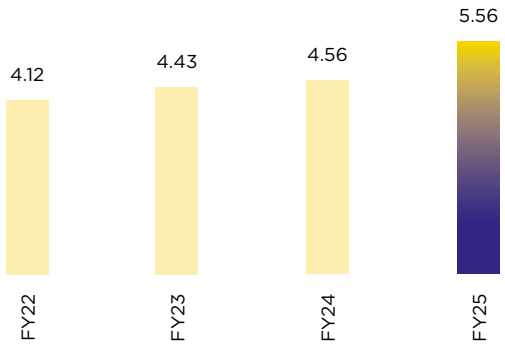
As a responsible corporate citizen, Himadri is dedicated to eliminating child labour and forced labour across its operations and supply chain. Through comprehensive policies and rigorous monitoring, we ensure strict adherence to ethical labour practices, reinforcing our commitment to fair, safe, and dignified employment standards.

As a global organization operating in diverse markets, Himadri views diversity as a strategic advantage rather than just a social responsibility. A diverse workforce fuels innovation, enhances collaboration, and strengthens customer relationships, positioning the Company for long-term success. Employees from varied backgrounds bring unique perspectives, enriching our teams and driving excellence. At Himadri, discrimination is not tolerated, and we actively foster an inclusive and equitable work environment.

To cultivate a culture of inclusivity, Himadri promotes diversity awareness through corporate media, open dialogue platforms, and specialized training programs. Employees across all levels receive diversity and unconscious bias training to recognize and eliminate barriers to inclusivity.

Aligned with the Company's vision—"Together, Towards Tomorrow"—Himadri integrates Diversity, Equity, and Inclusion (DEI) principles into its corporate framework. The Diversity, Equity, and Inclusiveness (DEI) Policy, effective from November 2023, formalizes this commitment, establishing a structured and forward-looking approach to fostering inclusivity across the workforce and community engagements. This policy strengthens ongoing DEI initiatives and sets a foundation for a more equitable and inclusive future, ensuring that diversity remains a key driver of business growth and sustainability. In addition to gender diversity, Himadri includes economically poor marginalized group in its value chain to advance economic prosperity. Himadri integrates DEI criteria into supplier selection processes to build a value chain that reflects its commitment to equity and inclusion. Himadri envisions a future where diversity, equity and inclusion are intrinsic to its organisational fabric. The Company's DEI policy, framework and roadmap signify its commitment to making a meaningful impact on employees, stakeholders, and communities. As Himadri progresses along the DEI maturity curve, the Company remains dedicated to becoming a pioneer in inclusive business practices, sustaining a workplace where every individual is empowered to thrive.

Female Representation



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Community Engagement & CSR Impact

Himadri's commitment to Corporate Social Responsibility (CSR) extends far beyond regulatory compliance—it is a core part of the Company's identity. With a legacy spanning over three decades, Himadri has consistently championed positive social change, particularly in rural and underserved regions. The Company serves as a catalyst for transformation, implementing initiatives in rural development, healthcare, education, environmental conservation, and social empowerment. Each of these efforts is driven by the belief that true corporate responsibility lies in fostering self-sufficiency, resilience, and long-term progress.

Himadri's CSR initiatives are structured for maximum impact under the guidance of its CSR Committee, a dedicated Board-level body ensuring that every project aligns with the Company's core values, sustainability objectives, and long-term community development goals. By prioritizing high-impact initiatives, the Company actively contributes to the United Nations Sustainable Development Goals (UNSDGs), reinforcing its commitment to global sustainability standards.

Himadri follows a well-defined and structured approach to CSR, ensuring that every project is meticulously planned, implemented, and monitored from inception to completion. The dedicated CSR team ensures optimal resource utilization, maintaining the highest standards of transparency, accountability, and effectiveness.

To measure the tangible impact of its CSR programs, Himadri conducts rigorous assessments, beginning with internal evaluations, followed by third-party verifications. This dual-layer evaluation enhances the credibility of the Company's efforts, ensuring that every initiative delivers measurable and lasting benefits to the communities it serves.

Through its comprehensive, structured, and outcome-driven CSR approach, Himadri makes significant contributions to social well-being, environmental conservation, and economic empowerment. The Company's unwavering dedication to excellence in CSR reflects its broader mission to build a sustainable future, create shared value, and promote a culture of integrity and responsibility. Few of the key projects undertaken during the reporting years are as follows:

4 QUALITY EDUCATION	Free Annual Book & Scholarship Distribution & School Development
3 GOOD HEALTH AND WELL-BEING	Free Periodic Eye Check-up Camps &Homeopathy clinic outdoor service
4 QUALITY EDUCATION	STEM - Scholarship Distribution for Medicine Study
3 GOOD HEALTH AND WELL-BEING	Hospital Construction for Villagers
5 GENDER EQUALITY	Village Woman Skill Development/ Self-Empowerment Training
10 REDUCED INEQUALITIES	STEM-Contribution for Pediatric Super Speciality Hospital (Cancer)
1 NO POVERTY	Concrete House Construction
3 GOOD HEALTH AND WELL-BEING	Promote To Sports
2 ZERO HUNGER	Free Food, cloth & Blanket Distribution to Needy
13 CLIMATE ACTION	Tree Plantation & Animal Welfare

* STEM-Science,Technology, Engineering and Mathematics

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Sustainable Value Chain

Himadri plays a vital role in shaping both environmental and social outcomes through its extensive global market presence. By collaborating closely with value chain partners, the Company is committed to preventing human rights violations and environmental breaches while fostering transparency and traceability across its entire supply chain. This commitment is deeply embedded in Himadri's corporate philosophy, Together Towards Tomorrow, which underscores a collective and forward-thinking approach to sustainability.

A strong advocate of circularity, Himadri has developed its value chain by upcycling by-products from industries such as steel and oil & gas. In its carbon black division, the Company harnesses process waste gas to generate electricity, a portion of which is used internally, while the surplus is exported to the grid—contributing to the replacement of coal-generated thermal power. By extending product lifecycle phases and embedding circular economy principles, Himadri has built a legacy of responsible manufacturing.

Supplier selection is another critical aspect of Himadri's sustainability strategy. The Company not only ensures that suppliers meet high sustainability standards but also enhances the overall resilience and quality of the value chain. As a responsible speciality chemical company, Himadri acknowledges its duty to minimize environmental and social impacts. To achieve this, it has set ambitious sustainability targets and implemented stringent measures. Through a comprehensive materiality analysis, the Company has identified key focus areas, including mitigating climate change, reducing GHG emissions, upholding human rights and labor standards, and strengthening corporate governance. By integrating these priorities into its operations, Himadri continues to drive meaningful change, ensuring a sustainable and responsible future.

To effectively achieve this, we have developed robust management structures and control systems within our procurement processes, ensuring transparency and alignment with our sustainability goals. By implementing rigorous evaluation criteria for our suppliers, conducting regular audits, and integrating sustainability metrics into our decision-making, we ensure that every procurement decision supports our broader ESG objectives. This approach enables us to mitigate supply chain risks, promote ethical sourcing practices, and drive value creation throughout the entire value chain.

Himadri's Sustainable Procurement Framework is a cornerstone of its commitment to responsible sourcing, ethical business conduct, and advancing global sustainability objectives across the value chain. Aligned with international sustainability standards and the United Nations Sustainable Development Goals (UNSDGs), the framework integrates Environmental, Social, and Governance (ESG) principles into procurement practices to ensure a responsible, transparent, and future-ready supply network.

Self-Assessment

- Self-assessment survey form to be sent
- Business Value Chain Partner returns the form with relevant documents

Onsite/ Online Audit

- Himadri conducts audit based on four components
  - ESG Assessment
  - Quality Assessment
  - Delivery Assessment
  - Price Assessment

Composite Performance Index

- Business Value Chain Partners selection based on a rating system
- Evaluation done on below parameters

Rating Component

- ESG
- Quality
- Delivery
- Price

Business Value Chain Partner Categorization

- Business Value Chain Partners may score a maximum of 100
- Categorization as per following

Catagory

- Group A
- Group B
- Group C
- Group D

Final Selection

- Annual re-evaluation
- Group D vendors for 2 consecutive years will be de-registered or removed
- Training and awareness program will be organized

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1. **Supplier Self-Assessment Questionnaire:** The sustainable procurement journey begins with a Supplier Self-Assessment Questionnaire (SAQ), which is designed to assess the supplier's adherence to Himadri's sustainability expectations. This comprehensive questionnaire evaluates a supplier's policies, practices, and performance across key sustainability dimensions, including:

   - Environmental management (e.g., emissions, waste, water use)
   - Labour and human rights (e.g., fair wages, child labour, workplace safety)
   - Business ethics (e.g., anti-bribery, data privacy)
   - Supply chain practices (e.g., subcontracting, traceability)
   - Governance and compliance

   The SAQ enables suppliers to reflect on their sustainability maturity while providing Himadri with valuable insights into potential ESG risks and opportunities for improvement.

2. **Third-Party Audit (Online/Offsite):** To ensure the integrity of the self-assessment process, the SAQ is followed by an online or offsite third-party audit. These audits are conducted by independent and globally recognized verification bodies who assess the accuracy of the responses submitted, validate documentation, and check compliance with relevant laws, industry standards, and Himadri's Supplier Code of Conduct.

3. **Composite Risk Rating and Categorization:** Based on the findings from both the SAQ and the third-party audit, Himadri develops a composite risk rating for each supplier. This rating categorizes suppliers into various risk levels—such as low, medium, or high—based on their potential ESG risk exposure. The objective is to create a transparent view of the supplier landscape and prioritize risk mitigation efforts accordingly.

4. **Active Supplier Engagement and Risk Mitigation:** Himadri takes a proactive and collaborative approach to risk mitigation. For suppliers identified as having medium or high-risk exposure, the Company initiates targeted engagement strategies that include:

   - Capacity building through customized training and knowledge-sharing sessions
   - Awareness programs to educate suppliers on sustainability expectations, compliance requirements, and industry best practices
   - Collaborative action plans, where necessary, are co-developed with suppliers to close ESG performance gaps through realistic, time-bound improvement measures
   - Monitoring and follow-ups to track progress and support continuous improvement

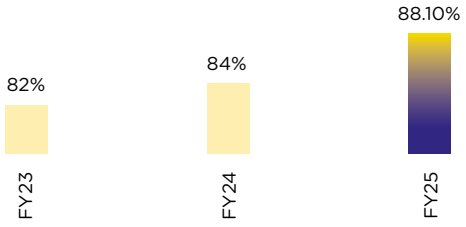
   These efforts are geared towards empowering suppliers to enhance their ESG capabilities, align with global sustainability goals, and ensure long-term value creation across the supply chain.

5. **Driving Collective Impact:** Himadri views suppliers as strategic partners in its sustainability mission. By embedding ESG performance into procurement decisions and encouraging suppliers to take ownership of their sustainability journeys, Himadri not only strengthens its own value chain resilience but also contributes to broader systemic change.

   Through its Sustainable Procurement Framework, Himadri is fostering a responsible sourcing ecosystem—one that upholds human rights, promotes environmental stewardship, and builds long-term partnerships rooted in shared values and mutual growth.

   Moreover, we actively monitor evolving sustainability trends and engage in meaningful dialogues with our suppliers and stakeholders. This proactive approach allows us to regularly assess and update our procurement policies, ensuring they remain relevant and impactful. By embracing continuous improvement, we reinforce our commitment to maintaining high standards in sustainable procurement and positively contribute to our business ecosystem. Our guiding principles of "Integrity, Commitment, Passion, Seamlessness, and Speed" are embedded in every aspect of our procurement activities. The procurement functionaries, in collaboration with key stakeholders, provide comprehensive guidance on all supply chain operations, ensuring that our resource utilisation is efficient, sustainable, and fully aligned with our organisational vision and mission. By embedding these values and principles into our procurement strategy, Himadri envisions to gain edges as a leader in sustainable practices, setting new benchmarks for the industry and paving the way for a responsible, resilient, and sustainable supply chain that supports our long-term growth and value creation.

% of Targeted Supplier Assessed



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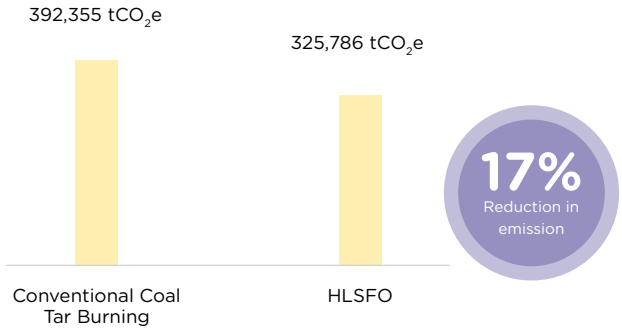
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At Himadri, sustainability is a shared commitment, deeply embedded in the Company's operations and extended across the entire value chain. Embracing a collaborative approach, Himadri actively engages with partners to minimize environmental impact while delivering sustainable solutions. Recognizing that its direct and indirect emissions (Scope 1 and Scope 2) contribute to the Scope 3 emissions of its customers, the Company continuously works to lower its carbon footprint by developing low-emission, customer-centric products. This integrated approach reflects Himadri's dedication to not only advancing its own environmental goals but also supporting the sustainability ambitions of its stakeholders.

As part of its customer decarbonization initiatives, Himadri has developed low carbon footprint fuel oil (HLSFO) a cleaner and more efficient alternative to conventional coal tar used for combustion in furnaces at steel plants. This innovative solution significantly reduces greenhouse gas (GHG) emissions and enhances operational efficiency due to its high calorific value. By reducing overall material consumption, HLSFO directly contributes to Sustainable Development Goal (SDG) 12: Responsible Consumption and Production, underscoring Himadri's commitment to resource efficiency.

Himadri's Integrated circular business model for the steel sector exemplifies its leadership in sustainable industrial practices. The Company sources coal tar from steel plants and upgrades it using proprietary technology into Coal Tar Pitch, HLSFO, and other high-value by-products. Among these, HLSFO is supplied back to the steel plants, enabling a closed-loop system that minimizes waste and maximizes resource reuse. This model reinforces sustainability across the value chain by lowering environmental impact, improving material productivity, and promoting responsible production.

Through such transformative initiatives, Himadri continues to drive measurable environmental progress across its operations. By embedding sustainable innovation and a customer-focused philosophy at the core of its strategy, the Company reaffirms its position as a responsible industry leader, committed to long-term value creation and environmental stewardship.



*Representative calculation on 1,00,000 MT

Way Forward

As Himadri advances on its journey towards a more sustainable and responsible future, it is driving forward a suite of transformative and forward-looking initiatives. Strategic projects such as Carbon Capture, Utilization and Storage (CCUS), fuel diversification, advanced energy management systems, and strong commitments to Diversity, Equity & Inclusion (DE&I), human rights, and STEM education are at the heart of this progress. These initiatives not only reflect Himadri's unwavering dedication to environmental and social stewardship but also position the Company as a pioneer of purposeful growth in the chemical industry.

By embedding sustainability deeper into every aspect of its operations, governance, and partnerships, Himadri is laying the foundation for long-term value creation—not just for its stakeholders, but also for the communities it serves and the planet it depends on. These forward-thinking projects are designed to enhance operational resilience, accelerate the transition to a low-carbon economy, and empower people through education, equity, and innovation.

Looking ahead, Himadri envisions a future where business success and sustainability are inseparable. In collaboration with value chain partners, policymakers, and civil society, the Company is committed to shaping a resilient, inclusive, and regenerative future. With bold action, innovation, and purpose, Himadri is not just adapting to change—it is leading it, ensuring that progress today secures a better tomorrow for all.

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Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN)	L27106WB1987PLC042756
2.	Name of the Listed Entity	Himadri Speciality Chemical Ltd
3.	Year of incorporation	1987
4.	Registered office address	Fortuna Tower, 23-A, Netaji Subhas Road, 8th Floor, Suite No. 15, Kolkata – 700001
5.	Corporate address	Ruby House 8, India Exchange Place, 2nd Floor, Kolkata - 700001
6.	E-mail	info@himadri.com
7.	Telephone	(033) 2230 4363/ 9953
8.	Website	www.himadri.com
9.	Financial year for which reporting is being done	2024-2025
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd. (NSE) BSE Limited (BSE)
11.	Paid-up Capital	₹ 4,937.82 in Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Avijit Sasmal Chief Sustainability Officer avijit.sasmal@himadri.com (033) 2230 9953
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis
14.	Type of assurance Obtained	No
15.	Name of assurance Provider	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Carbon Materials & Chemicals	Himadri's revenue is primarily derived from the sale of carbon materials and chemicals.	**99.48**

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17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl No	Description of Main Activity	NIC Code	% of total Turnover contributed
1	Carbon Materials & Chemicals	23999	99.48

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

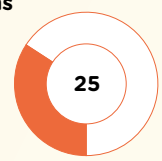
Location	Number of plants	Number of offices	Total
National	7	6	13
International	1	1	2

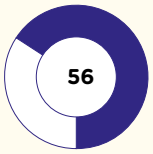
Himadri's ability to cater to international markets highlights its innovative quality products across industries like lithium-ion batteries, tyres, plastics and others. This creditable capability has helped reinforce the Company's competitiveness, speciality chemicals leadership and sustainable growth.

19. Markets served by the entity:

a. Number of locations

Number of Locations

National (No. of States) 

International (No. of Countries) 

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Revenue from operations(₹ in Lakhs): ₹ 4,59,580.34

Contributions of exports: 26.81%

c. A brief on types of customers

Since its inception in 1987, Himadri has grown to become a market leader and prominent player in Speciality Carbon products such as Coal Tar Pitch, Carbon Black, Naphthalene and Refined Naphthalene, SNF and Speciality Oils. Globally, we have been recognized as one of the few companies to offer integrated Speciality Carbon products and have continuously endeavoured to grow our global footprint and mark our presence in a diverse range of industries such as steel, aluminium, graphite, energy storage, tyre, automotive components, plastic, paints, fibre, printing inks, infrastructure development, and many more.

Industries we serve


Lithium – Ion Batteries


Defence


Aluminium


Graphite Electrodes


Automotive


Rubber


Power


Infrastructure


Construction Chemical


Wood Preservation Oils


Specialised Products


Paints, Plastic and Fibre

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IV. Employees

20. Details as at the end of Financial Year:

At Himadri, we deeply value our people as our greatest asset and are committed to creating meaningful impact for the communities connected to our business. We believe that true success is not just measured in financial growth but also in the value we generate for our employees, partners, and society. We firmly believe in upholding Diversity and Inclusion as fundamental aspects of our organizational ethos. We ensure that every individual in our organization feels respected and appreciated. Our hiring strategies focus on finding the best people for the job who bring diversity of thought, experience, cultures, gender, age, and expertise to enrich the organizational culture and add impetus to innovation and sustainable growth. The organization has a zero tolerance policy for any kind of discrimination across our operations, be it in our hiring, training, promotion, assessment or remuneration on the basis of nationality, race, colour, religion, creed, sexual orientation, gender identity, age and disabilities. Gender diversity enhances competitive advantage for us, with a focus on achieving gender parity and inclusivity, promoting women's representation in leadership roles, and prioritizing inclusivity at all organizational levels.

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1	Permanent (D)	881	832	94.44	49	5.56
2	Other than Permanent (E)	172	172	100	0	0
3	**Total employees (D + E)**	**1053**	**1004**	**95.35**	**49**	**4.65**
	WORKERS					
4	Permanent (F)	89	87	97.75	2	2.25
5	Other than Permanent (G)	1340	1332	99.40	8	0.60
6	**Total workers (F + G)**	**1429**	**1419**	**99.30**	**10**	**0.70**

Note: Our Total Permanent employees excludes Executive board of directors.

b. Differentlyabled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	1	1	100	0	NA
2	Other than Permanent (E)	0	0	NA	0	NA
3	**Total differently abled employees (D+ E)**	**1**	**1**	**100**	**0**	**NA**
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	0	0	NA	0	NA
5	Other than permanent (G)	0	0	NA	0	NA
6	**Total differently abled workers (F+G)**	**0**	**0**	**NA**	**0**	**NA**

21. Participation/Inclusion/Representation of women

Sl. No.	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	6	1	16.67
Key Management Personnel	6	1	16.67

*Includes CMD & CEO, Executive Directors and independent directors

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In a significant strategy to engage more women into leadership roles, several sponsorship programmes are in place to enhance their skills and empowerment with comprehensive training, mentorship opportunities and professional courses to equip women with the necessary skills for leadership positions. We believe in empowering women to contribute significantly to the organisation' success and sustainability. By 2030, Himadri aims for 25% representation of women and underrepresented groups across the Board of Directors, management and the workforce.

Himadri's commitment to advancing diversity extends beyond the workplace and into the communities where the Company operates. Therefore, Himadri actively identifies and collaborates with women-led businesses and enterprises owned by marginalised or vulnerable groups for the procurement of consumables, services, and operational needs.

22. Turnover rate for permanent employees and workers

Sl. No.	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	3.79	0.52	4.31	7.90	0.36	8.26	7.86	0.71	8.57
Permanent Workers	3.12	0.00	3.12	1.30	0.04	1.34	27.18	3.08	30.26

Himadri successfully reduced the turnover rate of employees through a series of strategic initiatives aimed at enhancing employee satisfaction, fostering a positive workplace culture and implementing efficient retention programs. We initiated regular feedback sessions and open communication channels between employees and management which helped to address issues before they got escalated. Himadri designs and offers various leadership training programmes, coaching and mentorship sessions and personalised career development programmes to boost employee morale through **PRAGATI** programme. Regular rewards, both monetary and non-monetary were provided, fostering a sense of belonging and appreciation. Additionally, we ensured employees could balance their professional and personal lives, reducing burnout and enhancing job satisfaction by offering flexible work schedules, remote work options etc. We regularly review and adjust compensation packages to ensure they are competitive with industry standards.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Combe Projects Pvt Limited	Subsidiary	100	No
2	Himadri Clean Energy Limited	Subsidiary	100	No
3	Himadri Future Material Technology Limited	Subsidiary	100	No
4	Himadri Green Technologies Innovation Limited	Subsidiary	100	No
5	AAT Global Limited	Subsidiary	100	No
6	Shandong Dawn Himadri Chemical Industry Limited	Subsidiary	94	No
7	Invati Creations Private Limited*	Subsidiary	40	No
8	Himadri Speciality Inc	Subsidiary	100	No

* Note: Himadri Speciality Chemical Limited holds 40% paid-up equity share capital of Invati Creations Private Limited (ICPL), this voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However, based on contractual rights (including potential voting right combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per the requirements of Indian Accounting Standards. Consequently, the management of the Company has considered the investment in ICPL as investment in subsidiary Company.

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VI. CSR Details

At Himadri, our core commitment is to uplift underserved communities and support their journey toward self-reliance. Guided by this purpose, we design and implement focused, impactful initiatives in the areas of women's empowerment, healthcare, and education. These programmes are thoughtfully tailored to address local needs and create meaningful, long-lasting change. Oversight for all CSR activities rests with the Board-level CSR Committee, which ensures strategic alignment with the Company's values and goals. The corporate CSR team provides overall coordination, while plant-level CSR teams play a crucial role in community engagement and issue resolution. We maintain active and ongoing dialogue with local communities, either directly or through trusted implementing partners. Any concerns or grievances raised by stakeholders are handled with sensitivity, urgency, and care. These are addressed by the plant-level CSR teams, under the guidance of the CSR Committee, to ensure timely and effective resolution. Through this structured and compassionate approach, Himadri continues to foster inclusive development and contribute meaningfully to building stronger, more resilient communities.

24. **I) Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

ii) Turnover (₹ in Lakhs)- ₹ 4,59,580.34

iii) Net worth (₹ in Lakhs)- ₹ 3,64,752.55

VII. Transparency and Disclosures Compliances

Transparency in Himadri refers to the practice of openly sharing information, decisions, processes, and policies with stakeholders, including employees, customers, shareholders, and the Communities. It involves being honest, accountable, and forthcoming about the organization's activities and operations. At Himadri, addressing grievances as an organization involves a structured and proactive approach to resolve issues and maintain positive relationships. Our Grievance Redressal policy being the backbone of transparency, establishes a framework which involves:

1. **Establish Channels for Feedback:** Creation of multiple channels for expressing grievances, such as suggestion boxes, hotlines, online forums, or regular town hall meetings. Ensuring that these channels are accessible by all stakeholders.
2. **Dedicated Grievance Handling Team:** Designating a team within the organization responsible for managing and addressing grievances. Provided them with adequate training in conflict resolution, communication skills, and cultural sensitivity.
3. **Listen and Empathize:** Actively listen to the concerns and grievances raised by stakeholders. Empathize with their perspectives and demonstrate genuine concern for their wellbeing. Avoid becoming defensive or dismissive of their grievances.
4. **Document and Analyze Grievances:** Systematically document all grievances received, including details such as the nature of the issue, the individuals involved, and any supporting evidence. Analyze the grievances to identify common themes, root causes, and trends.
5. **Prioritize Grievances:** Prioritize grievances based on their severity, impact on stakeholder and organizational resources available for resolution. Focus on addressing high-priority grievances promptly to prevent escalation and maintain trust with the stakeholder.
6. **Transparent Communication:** Communicate openly and transparently with the stakeholder about the organization's efforts to address grievances. Provide regular updates on the status of ongoing investigations, resolutions, and any changes implemented as a result of stakeholder feedback.
7. **Engage Stakeholders:** Engage relevant stakeholders in the grievance resolution process. Collaborate with these stakeholders to gather additional insights, leverage resources, and implement effective solutions.
8. **Implement Solutions:** Develop and implement solutions to address identified grievances in a timely and effective manner.
9. **Follow-Up and Monitoring:** Following up with the concerned person after implementing solutions to ensure that the grievances have been adequately addressed. Monitor the effectiveness of implemented solutions and be prepared to make adjustments based on feedback and changing circumstances.

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10. **Continuous Improvement:** Continuously evaluate and improve the organization's grievance handling processes based on lessons learnt and feedback received. Strive to build trust and foster positive relationships through ongoing engagement and responsiveness to concerns.

25. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

	Grievance Redressal Mechanism in place (Yes/ No) (If Yes, then provide web link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks
Communities	Yes	Nil	Nil	None	Nil	Nil	None
Investors (Other than shareholders)	Yes	Nil	Nil	None	Nil	Nil	None
Shareholders	Yes	Nil	Nil	None	Nil	Nil	None
Employees and workers	Yes	Nil	Nil	None	Nil	Nil	None
Customers	Yes	Nil	Nil	None	Nil	Nil	None
Value Chain Partners	Yes	Nil	Nil	None	Nil	Nil	None

Himadri has consistently recorded zero complaints from stakeholders on any unethical conduct which is a result of our diligent and systematic approach. Himadri has a transparent and secure grievance mechanism that allows all stakeholders to report any concerns related to our business conduct. This mechanism includes a toll-free number and a dedicated email address. The reporting channels are confidential and each grievance is addressed by a dedicated committee that ensures prompt investigation and resolution. Overseen by the Chief Sustainability Officer, Company Secretary and Chief Human Resources Officer, the system ensures timely and appropriate responses to complaints based on their severity. We ensured regular audits, monitoring mechanism, continuous and open communication, feedback sessions with all relevant stakeholders.

https://www.himadri.com/pdf/Vigil_Mechanism_and_Whistle_Blower_policy.pdf

26. **Overview of the entity's material responsible business conduct issues**

Our Sustainability initiative focuses on addressing the most significant sustainability challenges and opportunities. Himadri has restructured its material topics and adopted the Corporate Sustainability Reporting Directive's double materiality assessment. This methodology prioritizes issues based on their impact on the environment, society and Himadri's business, creating financial risks and opportunities. On one hand, organisations must have an impact on people and the environment (inside-out). On the other hand, sustainability-related developments and events create (new) risks and opportunities for organisations (outside-in).

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From a broader perspective, double materiality ensures that sustainability reporting focuses on topics that are most relevant to the organisation and stakeholders. These material topics upholds the organization's sustainability strategy with the integration of our risk management processes, which consider both immediate risks and long-term macro trends.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk or opportunity, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health & Safety	Opportunity	Aligned with our core business values, beliefs, and practices, ensuring the safety and well-being of our employees is paramount. We dedicate significant efforts to uphold high standards of Health, Safety, and Environment (HSE) in the workplace, recognizing that any lapses in these areas could have serious consequences.	At Himadri, we maintain strict adherence to health and safety protocols across all our plants and office locations. Our commitment to safety is demonstrated by our ISO 45001:2018 certification. We regularly conduct health and safety training for employees and workers, supplemented by risk assessment, periodic audits and surprise checks to ensure full compliance with all protocols.	While an accident may cause damage to reputation and incite potential legal actions by local authority, practicing / delivering best in class HSE performance has created positive differences to all direct and indirect stakeholders of the company as well as it has enhanced the brand value significantly.
2	Human Rights	Opportunity	A socially responsible corporation recognizes the importance of nurturing strong relationships with all stakeholders, including regulators, investors, suppliers, and customers. At Himadri by placing a high priority on respecting human rights, we show our dedication to building lasting partnerships with stakeholders and safeguarding their rights.	Himadri is dedicated to sustainable development principles, which encompass protecting human rights, respecting individuals' dignity and well-being, and ensuring equal rights for all. As part of this commitment, the Human Rights Policy applies to all employees and investors, while the Supplier Code of Conduct and Sustainable Procurement Policy clearly outlines the expectations for our suppliers.	At Himadri, we place a strong emphasis on the value of our people as crucial assets to our business. As a result, we prioritize our commitments to all human rights elements. We believe that this focus enables us to establish our brand as a leader in its class.
3	GHG Emissions	Opportunity	Recognizing the adverse impact of GHG emissions on the global climate, we acknowledge this as a shared risk. As a corporate entity, we are fully committed to making a positive contribution in this regard.	Himadri diligently monitors its Scope 1 and 2 emissions, striving to enhance energy efficiency. The company is actively evaluating its emissions and has established short-term and long-term plans with defined objectives to improve energy intensity and reduce its carbon footprint. Additionally, we have initiated evaluating our Scope 3 value chain emissions which impacts our business activities. Subsequently, we will engage with relevant stakeholders to mitigate Scope 3 emission.	There is an immense positive impact of reducing GHG emissions, improving energy efficiency and air quality, eventually contributing to climate control initiatives.
4	Water Management	Opportunity	Several processes in our operations require water. Recognizing the significance of this finite resource, we are committed to reducing freshwater usage and optimizing our operations.	Himadri has strategically implemented Zero Liquid Discharge (ZLD) to effectively manage water consumption, treatment, and recycling for internal use. This initiative aims to continuously improve our water consumption intensity. Going beyond commitments, we are currently expanding our ZLD plant's capacity to increase water recyclability and reusability.	There are many positive financial / non-financial implications from reduction in freshwater consumption considering quality water as a scarce resource.
5	Labour Practices	Opportunity	Our people are vital contributors to value creation and are our most valuable assets. We strive to attract qualified employees with relevant experience, provide them with best-in-class training, and develop their skills to propel Himadri to greater heights.	To foster a positive working culture at Himadri, we have implemented progressive people practices aimed at retaining and attracting top talent. Our leadership regularly assesses our practices in this regard and adopts appropriate measures to enhance our workforce capabilities.	Enhancing the experience of our employees directly contributes to the Company's productivity and enables us to attain our objectives and business performance over time.

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6	Transparency	Opportunity	Himadri upholds a commitment to transparency and openness across all aspects of its operations. Comprehensive communication to the stakeholders are being done towards achieving transparency to the best possible extent.	Policies are in place to ensure Himadri's objectives in operating as a transparent organization. Appropriate procedures and actions are in place in case any deviation is observed.	There are many positive financial / non-financial implications of being a transparent company, which improves the brand image.
7	Community Relations	Opportunity	Building strong Community relations allow Himadri to foster trust and support between a company and local stakeholders. Positive community engagement can enhance corporate reputation, operational smoothness, and build a strong social license to operate. They address community concerns, support local development, and lead to mutually beneficial partnerships that strengthen long-term sustainability.	Himadri's CSR initiatives are driven by a structured, impactful approach under the guidance of its CSR Committee, a dedicated Board-level body committed to delivering positive change. This governance framework ensures that all CSR projects align with Himadri's core values and sustainability objectives, with a strong focus on initiatives that provide long-term benefits to communities. Himadri's CSR efforts are also aligned with the United Nations Sustainable Development Goals (UNSDGs), which reinforces the Company's dedication to global sustainability standards. By leveraging this structured approach and expert-led execution, Himadri continues to strengthen its role as a socially responsible organisation, dedicated to empowering communities and contributing to sustainable development.	With strong community relation, Himadri expects to operate for the overall well-being of society enhancing the possibilities of higher economic returns for the company as well as the communities where we operate.
8	Code of conduct	Opportunity	A well-defined Code of Conduct presents a valuable opportunity for Himadri by establishing ethical standards and behavioral expectations of stakeholders. It promotes a positive work environment and governance practices. It fosters accountability and ethical behavior.	Himadri's Code of Business Conduct (CoBC) outlines key principles and standards applicable across its operations. As an integral part of employment contracts, it ensures all employees understand their responsibilities. Violations of the CoBC are taken seriously, with potential consequences for both the individual and the organisation. A Supplier Code of Conduct further extends these standards to business partners, establishing binding requirements to ensure alignment with Himadri's ethical practices.	The self-declared supplier code of conduct mandates compliance with Himadri's sustainability standards, including environmental protection, labor rights, business ethics, and health and safety. By adhering to this code, suppliers contribute directly to our broader sustainability objectives, fostering a shared commitment to responsible business conduct. By adhering to our robust code of business conduct, we ensure economic prosperity and societal well-being for all. Fair competition in accordance with free market rules lay down equal opportunities for all our suppliers enabling them to develop product quality and transition to a low carbon economy.
9	Data Security and Privacy	Opportunity	By prioritizing data security Himadri emerges as trusted and reliable company gaining confidence of stakeholders. Effective data protection safeguards sensitive information from breaches, ensuring customer and stakeholder confidence. Compliance with data privacy laws avoids legal penalties and reputational damage. Robust data security protects financial integrity and workflows.	Digital data safety is paramount. Himadri's data protection and security framework is aligned with national data privacy regulations, such as the Digital Personal Data Protection Act 2023 (DPDPA), ensuring that personal and Company data are protected against unauthorised access, breaches, or misuse. We ensure Advanced technological measures protect sensitive data from breaches or unauthorised access. Additionally, The Company's robust data governance policy ensures a compliance with national data protection and privacy standards (including Digital Personal Data Protection Act 2023).	Himadri ensures responsible and secure handling of customer data, minimizing the risk of breaches and protecting the company from legal liabilities and business losses. By strengthening data security, Himadri enhances customer trust, regulatory compliance, and brand reputation, leading to stronger business relationships, reduced financial risks, and long-term profitability.

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10	Supplier Relationship Management	Opportunity	Optimizing supply chain, enhancing operational efficiency and building long-term strategic partnership. Effective management strengthens collaboration, improves supply chain reliability, and drives innovation. By fostering strong relationships, companies mitigate risks, enhance transparency, and achieve cost efficiency. It supports sustainability goals by aligning suppliers with ethical and environmental standards, contributing to business resilience and competitive advantage.	Himadri has constituted The value chain partner engagement task force which strengthens relationships with suppliers, ensuring an alignment with sustainability goals (particularly in reducing Scope 3 emissions). By training and assessing partners' ESG performance, the task force drives responsible sourcing practices, enhances efficiency and promotes sustainability progress across the value chain.	Effective Supplier Relationship Management (SRM) strengthens Himadri's supply chain resilience, ensuring cost efficiency, consistent quality, and timely delivery. By fostering long-term partnerships, we secure better pricing, reduced procurement costs, and lower risks of disruptions. Collaboration with suppliers on sustainability and innovation also enhances operational efficiency, improves ESG performance, and drives financial growth through competitive advantage and market differentiation.
11	Bribery and corruption	Opportunity	A firm stance against bribery and corruption positions Himadri as a leader in corporate responsibility, transparency and integrity. Addressing these issues helps maintain stakeholder trust, avoid legal penalties, and ensure fair practices. Effective anti-bribery measures protect corporate reputation and stability	Tools such as audits and due diligence were employed to mitigate potential compliance risks related to sustainability topics including anti-bribery, corruption. In this regard, the Company considers group-wide business activities across all locations. To identify potential risks early, each business unit and function is required to conduct regular risk analyses. Based on analysis results, the ESG Council issues binding standards following deliberations. Himadri's anti-bribery and corruption framework cultivates integrity across business operations. This framework provides guidelines for employees, contractors and third-party stakeholders to prevent unethical practices (bribery, facilitation payments and gifts) that could influence business decisions.	The ABC framework protects Himadri from legal penalties, financial losses, and reputational damage. By ensuring transparent business practices, it enhances investors confidence, regulatory compliance, and stakeholder trust. This leads to stronger partnerships, improved credit ratings, and greater access to capital, ultimately driving long-term financial stability and sustainable growth.
12	Waste Management	Opportunity	Effective waste management minimizes environmental pollution, reduces landfill use, and conserves resources through recycling and reuse. It helps companies address legal requirements, mitigate operational risks, and reduce disposal costs. Responsible waste management enhances corporate reputation and supports broader sustainability goals.	Waste management is a key activity which Himadri diligently carries out from the inception. Our entire value chain is based on the by-products of other industrial sectors. Through innovative technologies and constant research and development, we extract values out these otherwise waste materials. Additionally, our operational standards clearly outline the 'Dos and Don'ts' of waste management. Our constant effort is currently being employed to recover and reuse our operational wastes as well.	As our legacy is based on recovering values out of by-products of other industrial sectors responsible waste management is very crucial for us. Effective waste management helps Himadri reduce disposal costs, optimize resource use, and enhance regulatory compliance, avoiding fines and legal risks. By implementing waste recycling and circular economy initiatives, we recover valuable materials, lower raw material expenses, and create new revenue streams. Additionally, improved waste management strengthens ESG performance, attracting sustainability-focused investors and customers, ultimately driving cost savings and long-term profitability.

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13	Responsible Procurement	Opportunity	By prioritizing ethical sourcing and making environmentally and socially responsible procurement decisions, Himadri builds strong, long-term relationships with suppliers who share its value. It reduces risks associated with unethical labor practices, environmental degradation, and supply chain disruptions. By prioritizing suppliers who adhere to sustainability and ethical standards, organizations enhance reputation, regulatory compliance and social cum environmental outcomes leading to long-term value creation.	By working closely with our value chain partners, we aim to prevent breaches of human rights and environmental violations. We strive to enhance transparency and adequate traceability in our value chain entirely. In line with the commitment, we have embedded 'Together Towards Tomorrow' in corporate philosophy to underline our collaborative approach related to sustainability endeavors. Value chain is a function where although risks exist but they are not entirely under Himadri's control. Therefore, we have taken a bottom-up approach of identifying value chain risks and opportunities not only decentralizing the process but also encouraging value chain partners to seek collaboration. Therefore, we have formed a cross functional team. The value chain partner engagement task force strengthens relationships with suppliers, ensuring an alignment with sustainability goals (particularly in reducing Scope 3 emissions). By training and assessing partners' ESG performance, the task force drives responsible sourcing practices, enhances efficiency and promotes sustainability progress across the value chain. To ensure that sustainability is ingrained throughout our supply chain, Himadri employs a multi-stage process for selecting and evaluating Supply Chain Partners. This process includes: • Non-disclosure agreement • Self-assessment surveys • Composite performance index • On-site and online audits • Collaborative mitigation approach	Sustainable procurement helps Himadri reduce costs, mitigate supply chain risks, and enhance operational efficiency by sourcing from environmentally responsible and ethical suppliers. It ensures resource efficiency, lower raw material costs, and waste reduction, leading to long-term financial savings. Additionally, strong ESG-aligned procurement attracts investors, enhances brand reputation, and secures premium market opportunities, driving profitability and business resilience.
14	Policy Influence	Opportunity	Policy influence aid to shape the regulatory and legislative environment in which a company operates. By engaging in policy discussions and advocating favorable regulation, companies can align public policies with objectives, mitigate regulatory risks, and enhance efficiency. Effective policy influence enables companies to contribute to broader social and environmental goals.	Capitalizing on policy influence involves actively engaging with regulatory bodies, industry associations, and sustainability initiatives to shape policies that align with Himadri's business goals. By advocating for favorable environmental and industry regulations, Himadri can gain early compliance advantages, access incentives, and influence market standards.	Strategic policy influence enhances profitability, strengthens market positioning, and ensures long-term financial stability. The major benefits are given below: • Regulatory Foresight – Reduces compliance costs and minimizes financial risks. • Incentives & Subsidies – Unlocks government benefits, tax breaks, and grants. • Market Leadership – Positions Himadri as an industry leader, attracting ESG-conscious investors and customers. • Competitive Edge – Ensures early adoption of policies, avoiding costly last-minute adjustments.

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15	Human Capital Development	Opportunity	By focusing on the development of employees skills, knowledge and leadership potential Himadri ensures its workforce is equipped to meet challenges of an evolving market. Investing in employee skills and development drives efficiency, talent retention, and a positive culture. It supports growth through workforce skills, organizational resilience, competitive advantage, and strategic achievements	Our social responsibility efforts focus on creating lasting, positive impacts across multiple dimensions — improving livelihoods, fostering diversity, equity, and inclusivity. We prioritise the health, safety, and development of our employees, ensuring that they work in an environment that promotes their wellbeing and professional growth. Through ongoing training and development programmes, we empower our workforce to reach their full potential and contribute meaningfully to our collective success. Learning and development are essential success factors for promoting a strong and future-oriented company culture. The skills and competencies of employees are critical for profitable growth and long-term success. For this reason, Himadri is committed to modernising its learning culture and enhancing efforts to promote continuous, self-directed learning and learning from others. Employee development at Himadri is built on the principle that development opportunities and support are available to all employees. At Himadri, development is viewed as continuous learning through building individual experience and skills. The Training and Development Team works to identify skill gaps, training needs and career advancement opportunities, supporting the professional growth of Himadri's employees.	Human capital development— through skill enhancement, leadership training, and employee well-being initiatives— directly strengthens Himadri's productivity, innovation, and operational efficiency. Potential benefits are as below: • Higher Productivity – Skilled employees improve efficiency, reducing operational costs. • Lower Turnover Costs – Investing in employee growth enhances retention, saving on hiring and training expenses. • Innovation & Competitiveness – A well-trained workforce drives process improvements and new product development, leading to revenue growth. • Stronger ESG Performance – A positive work environment attracts top talent and investors, thereby boosting long-term profitability.
16	Fair Competition	Opportunity	Promotes a level playing field where Himadri can showcase its strengths, drive innovation and improve operational efficiency. It prevents monopolistic behaviors and unfair advantages, fostering innovation and market efficiency. Upholding fair competition helps maintain legal compliance, protects the Company's reputation, and supports long term sustainability.	Himadri's fair competition policy ensures a compliance with anti-trust laws and promotes fair trade practices. The measures prevent anti-competitive behaviour, safeguard market integrity and provide a level playing field for all participants. Employees are trained to recognise and avoid practices like price fixing or monopolistic behaviour. Additionally, Himadri has established a fair competition framework to monitor and mitigate potential breaches. Value chain partners are expected to abide by the framework.	Fair competition strengthens Himadri's market position by fostering transparency, ethical business practices, and trust among stakeholders. Potential benefits are as follows: • Enhanced Reputation – Builds credibility, attracting investors and premium customers. • Market Access & Growth – Compliance with fair trade laws prevents legal fines and ensures smooth global operations. • Operational Efficiency – Encourages innovation and cost-effective strategies rather than reliance on unethical shortcuts. • Stronger Partnerships – Ethical business practices foster long-term relationships with customers, suppliers, and regulators, ensuring stable revenue streams.

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17	Circular Economy	Opportunity	By Adopting circular economy strategies Himadri showcases its potential to transform waste management, resource efficiency and sustainability. By focusing on recycling, reusing, and waste reduction, a circular economy helps moderate costs and environmental impact. It drives innovation in product design and business models; it enhances resource security and enhances revenue streams, reputation and regulatory compliance.	To further our efforts to integrate circular economy principles in every facets of our organization, Himadri has constituted BU level task force. This task force drives Himadri's efforts to embed circular economy principles throughout the business. By minimizing waste, promoting recycling and optimizing product lifecycles, this task force ensures that resources are used efficiently and sustainably. Through collaboration across departments and initiatives (take-back programmes), the task force creates innovation and reduces environmental impact, contributing to a closed-loop system.	Embracing circular economy allows Himadri to maximize resource efficiency, reduce waste, and create new revenue streams by repurposing byproducts and extending product life cycles. • Cost Savings – Minimizes raw material expenses through recycling and waste reduction. • Revenue Growth – Unlocks new business opportunities by converting waste into valuable products. • Regulatory Compliance – Avoids fines and benefits from government incentives for sustainable practices. • Brand & Market Advantage – Enhances reputation, attracting ESG-focused investors and customers willing to pay a premium. • Supply Chain Resilience – Reduces dependence on finite resources, ensuring long-term cost stability.
18	Risk Management	Opportunity	Effective risk management identifies, assesses, and mitigates potential threats from financial uncertainties to operational disruptions. It ensures regulatory compliance, strengthens decision-making, and protects against unforeseen events. By proactively addressing risks, organizations can prevent losses, seize opportunities, and deepen stakeholder trust.	Himadri has conducted a comprehensive risk identification process (as directed by the Board). Although the Risk Management Committee is expected to take the lead in this effort, cross-committee and common risks are being addressed in collaboration with other committees mandated by the Board. Besides, Himadri incorporated sustainability related risks, including responses to non-conformities, reputational risks and actions that could affect the Company's brand. Himadri's governance risk management employs decentralised controls to capture granular risks (including physical and transition risks). Executives are appointed at the operating business and group levels to ensure comprehensive risk management. At the group level, risk registers are aggregated to identify material risks across three factors: frequency, potential magnitude and impact. The established risk management system monitors quantifiable and non-quantifiable risks for the prevailing year and the mid-term period. Risk reporting serves as the starting point and outcome of Himadri's continuous risk management. Additionally, we have established a separate risk management committee. This Committee oversees risk identification, assessment and mitigation that could impact the Company. This Committee (Board members and senior executives) ensures a robust risk management framework aligned with industry best practices and regulatory requirements. The Committee's responsibilities include monitoring the Company's risk profile, reviewing risk management policies and ensuring the implementation of effective risk mitigation strategies. By conducting periodic risk assessments and stress tests, the Risk Management Committee ensures that threats are proactively addressed and goals achieved.	Effective risk management strengthens Himadri's financial stability by proactively identifying, assessing, and mitigating potential threats across operations, compliance, and market dynamics. Reduced Financial Losses – Minimizes disruptions from market volatility, regulatory fines, and operational failures. Lower Insurance & Compliance Costs – Ensures adherence to laws, reducing penalties and insurance premiums. Business Continuity & Resilience – Protects revenue streams by preparing for economic shifts, supply chain risks, and climate impacts. Stronger Investor Confidence – A well-managed risk framework attracts long-term investors and enhances credit ratings. Competitive Advantage – Enables proactive decision-making, ensuring sustained profitability and market leadership.

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19	Energy Management	Opportunity	Energy management helps reduce operational costs, energy consumption, waste and greenhouse gas emissions. Effective energy management enhances corporate reputation, attracting Eco conscious investors and customers. Besides, it enhances resilience against energy price volatility and supply disruptions, strengthening long-term sustainability and moderated environmental impact. It ensures resilience against energy price volatility and supply disruptions. Overall, energy management is key to long-term business sustainability, minimizing environmental impact, and supporting the transition to a low-carbon economy.	Energy management will remain a focus, as Himadri continues to optimise energy use through the implementation of ISO 50001 standards and advanced monitoring technologies. This initiative will be supported by digital solutions, allowing for real-time tracking and optimisation of energy consumption to meet energy reduction targets while maintaining operational efficiency. Additionally, energy optimisation task force drives Himadri's commitment to energy efficiency and sustainability. Focused on energy-saving opportunities and implementing cutting-edge technologies, this task force ensures the Company minimises energy consumption while maintaining operational excellence. Regular audits and employee awareness campaigns enhances energy conservation, reducing costs and contributing to a greener future for Himadri.	Effective energy management helps Himadri reduce costs, improve efficiency, and enhance sustainability, leading to significant financial gains. The benefits are as follows: • Lower Operational Costs – Optimizing energy use reduces electricity and fuel expenses. • Regulatory Compliance & Incentives – Avoids penalties and unlocks government subsidies for energy-efficient practices. • Increased Productivity – Energy-efficient systems enhance operational performance and reduce downtime. • Enhanced ESG Performance – Attracts sustainability-focused investors and customers, boosting revenue and market value. • Long-Term Cost Stability – Reduces dependence on volatile energy prices, ensuring predictable financial planning.
20	Product Stewardship	Opportunity	Product stewardship ensures responsible product lifecycle management. This comprises products designed for durability, recyclability, and safe disposal, reducing waste and resource consumption. Effective product stewardship enhances brand reputation and compliance with meeting the growing demand for sustainable products. It fosters innovation in creating eco-friendly solutions, long-term business sustainability and environmental protection.	Product stewardship involves taking responsibility for a product's environmental and social impact throughout its life cycle. Himadri can leverage this approach to enhance sustainability, reduce costs, and strengthen market positioning. Our key strategies to further product stewardship are as follows: Eco-Design & Sustainable Innovation – Develop low-carbon, recyclable, or biodegradable products to meet growing ESG demands. Circular Economy Integration – Implement closed-loop systems, ensuring product materials are recovered, reused, or repurposed. Extended Producer Responsibility (EPR) Compliance – Align with regulatory requirements by managing end-of-life product disposal efficiently. Downstream Engagement – Collaborate with customers and recyclers to ensure responsible product use, disposal, and recycling. Transparency & Certifications – Obtain eco-labels and third-party sustainability certifications to differentiate products in the market. Customer & Market Advantage – Position sustainable products as premium offerings, attracting environmentally conscious buyers and investors. By embracing product stewardship, Himadri can enhance brand value, reduce regulatory risks, drive innovation, and capture new revenue streams, ensuring long-term financial and environmental sustainability.	Product stewardship not only enhances environmental responsibility but also delivers significant financial advantages by optimizing resource use, reducing risks, and creating new market opportunities. Key Financial Benefits: • Cost Savings – Using recyclable materials and improving product efficiency lowers raw material and waste disposal costs. • Regulatory Compliance & Avoided Penalties – Proactively managing end-of-life product impacts ensures compliance with Extended Producer Responsibility (EPR) laws, avoiding fines and legal risks. • New Revenue Streams – Circular economy initiatives, such as recycling and product repurposing, create additional income from recovered materials. • Market Differentiation & Premium Pricing – Eco-friendly and low-carbon products attract sustainability-conscious consumers, allowing premium pricing and a competitive edge. • Investor & Customer Appeal – Strong stewardship enhances ESG performance, attracting green investors and corporate buyers looking for responsible supply chain partners. • Supply Chain Stability – Sustainable material sourcing reduces reliance on volatile raw material markets, ensuring cost predictability and long-term savings.

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21	Climate Change	Opportunity	By addressing climate change proactively, Himadri capitalizes on emerging markets and technologies focused on environmental solutions. Climate change affects regulatory compliance, operational costs, and supply chain. Companies need to address climate risks to mitigate financial losses and avoid reputational damage. The proactive management of climate change is aligned with global sustainability goals that could unlock innovation and leadership opportunities leading to long-term stability and environmental stewardship	As a forward-thinking organisation, Himadri addresses climate change, marked by extreme weather events. The Company's comprehensive risk register includes climate change risks that cover physical and transition risks cum opportunities. This holistic approach empowers Himadri to proactively manage the diverse risks associated with climate change. As Himadri looks to the future, its commitment to addressing climate change will be driven by a multi-faceted approach that blends innovation with sustainability. The Company believes that achieving Net-Zero is not merely the end goal; instead, it strives to foster a carbon-negative economy, creating a better planet for future generations. In short term perspective, The Company aims to achieve climate change resilience by incorporating diverse fuels and minimizing energy consumption.	At Himadri, addressing climate risks is one thing; it is imperative to seize opportunities through strategic policies and actions as well. Himadri deployed policies addressing key environmental factors pertinent to the speciality chemicals sector, aligning global and national goals. Key financial benefits are: • Reduced Financial Risks – Minimizes disruptions from extreme weather, regulatory changes, and resource scarcity, ensuring business continuity. • Lower Operational Costs – Investing in energy efficiency, water conservation, and sustainable infrastructure reduces long-term expenses. • Regulatory Compliance & Incentives – Proactive adaptation to climate policies helps avoid fines and access government subsidies and green financing. • Supply Chain Stability – Strengthening climate resilience ensures uninterrupted raw material sourcing, preventing costly production delays. • New Market Opportunities – Developing low-carbon and climate-friendly products attracts sustainability-focused customers and investors. • Enhanced Brand Reputation & Competitive Edge – A strong climate strategy boosts ESG performance, leading to higher investor confidence and premium market positioning.

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SECTION B:

MANAGEMENT AND PROCESS DISCLOSURES

Integrating the principles of the National Guidelines for Responsible Business Conduct into the structures, policies and processes ensure that stakeholder interests are integrated into the business fabric. Creating adequate governance enables businesses to contribute towards wider development goals.

Himadri's policy framework enables the Company to hold itself and its value chain partners to the highest standards of environmental and social performance by encouraging an open, compliant and transparent work environment. The policy framework is enforced into business operations by the Board.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.himadri.com/policies_new.php								
2	Whether the entity has translated the policy into procedures?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P1-QMS (ISO 9001:2015), IATF (16949:2016) ISO-37001:2016	P2-ISO 17025:2017, QMS (ISO 9001:2015), IATF (16949:2016) ISO-20400:2017	P3-ISO 45001:2018, QMS (ISO 9001:2015), IATF (16949:2016) ,SA 8000:2014	P4-QMS (ISO 9001:2015), IATF (16949:2016) SA8000:2014	P5-ISO 45001:2018. SA8000 :2014	P6- ISO 14001:2015, ISO 50001:2018, ISO 22301:2019	P7- ISO-3700:2016	P8-ISO-20400:2017	P9 -ISO 27001:2013, ISO22301:2019(Stage-1)
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	All have been met								

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Himadri's ISO certifications are a testament to our commitment to globally recognized management standards and operational excellence. They signal to stakeholders—including banks, investors, and customers—that we are a well-structured, reliable, and growth-ready organization. Achieving ISO certification requires rigorous compliance with defined international standards, demonstrating that our processes meet best-in-class benchmarks for quality and governance.

During the current reporting year, we continued to sustain our ISO certifications. The details are described below –

ISO 9001:2015 certification (Quality)

Himadri operates with a robust ISO 9001:2015 certified Quality Management System (QMS), ensuring that its products and services consistently meet customer and regulatory requirements. The QMS framework emphasizes continuous improvement, risk-based thinking, and customer satisfaction, which are integral to Himadri's commitment to operational excellence and product stewardship.

Through systematic quality audits, process control measures, and performance monitoring, the Company ensures that each stage of its operations—from raw material procurement to final product delivery—adheres to stringent quality protocols. The ISO 9001 certification, renewed through external validation, underscores Himadri's dedication to delivering safe, reliable, and sustainable products aligned with global standards.

ISO 14001:2015 certification (Environment)

The ISO 14001 certification, which focuses on Environmental Management Systems (EMS), is highly significant for Himadri, especially in terms of promoting sustainable practices, ensuring compliance with environmental regulations, and improving overall operational efficiency. ISO 14001 provides a framework for Himadri to manage and reduce its environmental impact. By identifying and controlling environmental risks, such as emissions, waste, water use, and resource consumption, Himadri can improve its environmental performance. This includes reducing pollution and minimizing the ecological footprint of its operations, which is particularly important in the chemical industry where processes may involve hazardous materials.

ISO 27001: 2013 certification (Information Security)

ISO 27001 is the international standard for information security management systems (ISMS). Achieving this certification ensures that Himadri has robust security measures in place to protect its sensitive data, whether it's related to intellectual property, financial information, customer data, or employee records. This is crucial in today's digital age where data breaches can result in significant financial and reputational damage. ISO 27001 helps identify potential security risks, vulnerabilities, and threats to information. By implementing the necessary controls and policies, Himadri can mitigate risks and reduce the likelihood of security breaches, cyberattacks, or data leaks. It ensures that all aspects of the company's information security are addressed in a systematic and proactive manner

ISO 37001: 2016 certification (Anti-bribery)

The ISO 37001 certification, which focuses on Anti-Bribery Management Systems (ABMS), is important for Himadri for several reasons, particularly as it relates to enhancing corporate integrity, improving ethical business practices, and ensuring compliance with anti-corruption regulations. Here's why this certification is crucial for Himadri. ISO 37001 provides a framework for Himadri to prevent, detect, and respond to bribery risks within its operations. This is important in industries like chemical, where business dealings may involve suppliers, contractors, and government agencies, all of which could present potential risks for corrupt practices. The certification helps establish clear policies and procedures to prevent bribery, ensuring the company operates with integrity. ISO 37001 helps improve Himadri's overall corporate governance by establishing transparency and accountability in its operations.

ISO 45001: 2018 certification (Health & Safety)

The ISO 45001 certification, which is the international standard for Occupational Health and Safety (OHS) management systems, is highly important for Himadri, especially in terms of ensuring the well-being of its employees, enhancing safety practices, and complying with regulatory requirements. ISO 45001 provides a framework for identifying, controlling, and minimizing health and safety risks in the workplace. For Himadri, this means creating a safer working environment for employees, which is especially important in the chemical industry where workers are exposed to potentially hazardous materials and processes. By implementing ISO 45001, Himadri ensures that its operations are designed to protect the health and well-being of its workforce. One of the key benefits of ISO 45001 is its focus on accident and illness prevention. By identifying hazards and implementing controls to minimize risks, Himadri can significantly reduce workplace accidents, injuries, and occupational illnesses. This leads to fewer disruptions in operations, lower medical costs, and less absenteeism, contributing to a more productive and

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healthier workforce. When employees feel safe and valued, it boosts their morale and engagement.

ISO 50001: 2018 certification (Energy management)

The ISO 50001 certification, which focuses on Energy Management Systems (EnMS), is important for Himadri particularly in enhancing energy efficiency, reducing costs, and demonstrating environmental responsibility. ISO 50001 provides a systematic approach for Himadri to monitor, measure, and optimize energy use. By adopting this standard, Himadri can identify areas where energy consumption can be reduced without compromising production. This leads to improved energy efficiency, helping the company use energy more effectively across its operations. Energy costs often represent a significant portion of operational expenses, particularly in energy-intensive industries like chemical and manufacturing. ISO 50001 helps Himadri implement energy-saving practices, such as optimizing equipment, improving operational procedures, and reducing wasteful energy consumption. These measures can directly result in cost savings, improving the company's profitability.

IATF 16949: 2016 QMS for Automotive industry

The IATF 16949 certification is highly important for Himadri. The company is involved in manufacturing or supplying products to the automotive industry or any sector that is part of the automotive supply chain. Here's a detailed explanation of why the IATF 16949 certification. Himadri manufactures products such as speciality chemicals, components, or materials used in automotive manufacturing (e.g., lubricants, additives, coatings, etc.), The IATF 16949 certification is critical. Which is specifically designed for the automotive industry to ensure that products consistently meet high-quality standards and comply with safety, performance, and environmental regulations. For Himadri, this certification ensures that its products meet the precise specifications required by automotive manufacturers. Automotive OEMs (Original Equipment Manufacturers) and Tier 1 suppliers often require that their suppliers adhere to IATF 16949 to ensure compliance with global quality standards. For Himadri, achieving this certification ensures that its manufacturing processes and products meet the specific requirements of the automotive industry, which is essential for maintaining existing contracts and securing new business opportunities within this sector.

SA8000:2014 certification (Social accountability)

Achieving this certification demonstrates Himadri's commitment to ethical practices, such as respecting labour rights, ensuring a safe work environment, and promoting fair wages. This can enhance the company's reputation, fostering greater trust with customers, investors, and stakeholders. The SA8000 standard requires compliance with international labor laws and human rights guidelines. For Himadri, this ensures that its operations meet recognized ethical standards, which is important for reducing legal and reputational risks related to labor issues such as child labor, forced labor, discrimination, and unsafe working conditions.

ISO 22301:2019 certification (Business Continuity Management Systems)- Stage-1

Himadri has successfully completed the Stage 1 audit of the Business Continuity Management System (BCMS) under ISO 22301, demonstrating its commitment to ensuring business resilience and continuity in the face of disruptions. The Stage 1 audit involved a thorough review of the organization's preparedness, policies, and processes related to business continuity. Himadri is now preparing for the Stage 2 audit, scheduled for April 2025, which will assess the full implementation and effectiveness of the system. This step further strengthens Himadri's ability to maintain operations and recover quickly from any unforeseen disruptions, ensuring minimal impact on its business activities.

ISO 20400:2017 certification (Sustainable procurement practices)

Himadri has adopted the principles of ISO 20400:2017 – Sustainable Procurement Guidelines to embed environmental, social, and ethical considerations into its procurement strategy. Our procurement framework ensures that suppliers align with our values on human rights, fair labour, ethical conduct, and environmental stewardship. This certification reinforces our dedication to building a resilient, inclusive, and accountable value chain that supports our Net Zero and human rights goals.

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Section	Management System	Corporate Office	Mahistikry Unit	Liluah-unit I	Liluah-Unit II	Falta Unit	Sambalpur Unit	Korba Unit	Vizag Unit
Section A & B	SA8000:2014	✓	✓	✓	✓	✓	✓	✓	✓
Section C Principle-1	QMS (ISO 9001:2015), IATF (16949:2016), ISO-37001:2016,	✓	✓	✓	✓	✓	✓	✓	✓
Principle-2	ISO 17025:2017, QMS (ISO 9001:2015), IATF (16949:2016) ISO-20400:2017	✓	✓	✓	✓	✓	✓	✓	✓
Principle-3	ISO 45001:2018, QMS (ISO 9001:2015), IATF (16949:2016)SA 8000:2014	✓	✓	✓	✓	✓	✓	✓	✓
Principle-4	QMS (ISO 9001:2015), IATF (16949:2016) SA 8000:2014	✓	✓	✓	✓	✓	✓	✓	✓
Principle-5	ISO 45001:2018. SA8000:2014	✓	✓	✓	✓	✓	✓	✓	✓
Principle-6	ISO 14001:2015, ISO 50001:2018 ISO 22301:2019 (Stage-1)	✓	✓	✓	✓	✓	✓	✓	✓
Principle-7	ISO-37001:2016	✓	✓	✓	✓	✓	✓	✓	✓
Principle-8	ISO-20400:2017	✓	✓	✓	✓	✓	✓	✓	✓
Principle-9	ISO 27001:2013, ISO 22301:2019(Stage-1)	✓	✓	✓	✓	✓	✓	✓	✓

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership, and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	I am pleased to present Himadri's Third Buisness Responsibilty and Sustainability Report for Financial Year 2024-25, aligned with GRI standards and driven by our ESG strategy, "Together Towards Tomorrow." This approach strengthens stakeholder confidence while positioning Himadri as a global leader in sustainability. At the core of our vision is our commitment to Net Zero by 2050, with SBTi-validated targets including a 25% reduction in Scope 1 & 2 emissions intensity and a 5% reduction in Scope 3 emissions by 2025. Key initiatives—**waste gas-to-power conversion, low-sulphur oils, and circular economy practices—**have already delivered a 36.08% reduction in GHG intensity and 99.56% waste recycling. Our climate resilience strategy, aligned with TCFD, uses scenario analysis to manage risks and develop low-carbon products like speciality carbon blacks and silicon-graphite anodes. Safety remains a priority with our Zero-Accident Vision, targeting LTIFR below 1 by 2025 through strict protocols, employee training, and monitoring systems. Similarly, human rights and inclusivity guide our business, in line with the UN Global Compact. Through sustainable procurement, we assess suppliers on emissions, water use, and labor rights, ensuring alignment with de-carbonization and circular economy goals. Himadri's sustainability journey is about innovation, responsibility, and transparency. Together, we are shaping a low-carbon, resilient future for all stakeholders.								

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Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	At the highest level, the Board of Directors, led by the Chairman cum Managing Director & CEO, is primarily responsible for protecting and enhancing shareholder value through strategic decision-making. The Company's Board provides a strategic guidance across the Company's operations, ensuring optimal resource utilisation and addressing governance and sustainability. The Company's decisions are aligned with its vision and mission; strategies prioritise the best interests of all stakeholders. The Company's Independent Directors lead the Board Committees that implement Board decisions and maintain continuous oversight through thorough reviews of policy and procedure implementation. Himadri's ESG governance structure comprises experienced committee members. The Board oversees the ESG subject, including associated risks and opportunities, while the CMD-CEO and other teams are responsible for decisions aligned with objectives. The ESG Committee at the Board level is responsible for overseeing all sustainability matters. The ESG Council, chaired by the Chief Sustainability Officer, periodically reviews and oversees the implementation of the Company's Sustainability Policies. Under the leadership of the Chief Sustainability Officer, the committee tracks progress, provides updates to the board, and monitors key sustainability KPIs. The ESG Steering Committee, serving as the highest authority at the unit level, is tasked with the implementation of ESG initiatives. This team collaborates with functional teams, external partners and industry stakeholders to develop roadmaps for sustainability endeavours.								
9.	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, as previously stated, the ESG Committee is a Board Committee responsible for making critical decisions regarding ESG issues, identifying risks, and implementing mitigation strategies. Additionally, the ESG Council reviews the Company's Business Responsibility and Sustainability Report and recommends it to the Board for adoption. The committee also approves the Company's Sustainability Report. Under the leadership of the Chief Sustainability Officer, the committee tracks progress, provides updates to the board, and monitors key sustainability KPIs.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the Board									Annually								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	Has the entity carried out independent assessment/ evaluation of the working of Its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. We have engaged with the below mentioned external agencies to carry out our assessment and working of its policies. DNV, Bureau Veritas Certification Holding SAS, TUV SUD South Asia Pvt Ltd, SGS.								

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12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable, as all principles are covered by respective policies								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

At Himadri, we are committed to upholding the principles of the National Guidelines on Responsible Business Conduct (NGRBC). These guidelines provide a framework for ethical and sustainable business practices, aligning with our core values and commitment to corporate social responsibility. Our policies are reflected on the following domains of ethical and responsible business conducts. Himadri established comprehensive policies and frameworks to reinforce ethical practices, legal compliance and safeguard the reputation. These policies and frameworks address critical areas like anti-bribery and corruption, fair competition, environmental stewardship, occupational health and safety, and whistle-blower mechanisms. The policies that benefit the organisation are following:

Principle no	Principle details	Policy as per principle
Principle 1:	Businesses should conduct and govern themselves with ethics, transparency and accountability	1. Anti-Bribery Policy 2. Anti-corruption due diligence program 3. Specific approval procedure for sensitive transactions 4. Information security due diligence program 5. Implementation of record retention Schedule policy 6. Incident response procedure 7. Measure of gaining stakeholder consent 8. Information Security risk assessment 9. Policy on prevention and detection of bribery, fraud and other corruptions 10. Stakeholder engagement policy 11. Prevention of documents & archival policy 12. Vigil mechanism /whistle blower policy 13. Audit of control procedure to prevent information security breaches 14. Code of Conduct 15. Data management and information security policy 16. Health and safety policy 17. Extortion, fraud and money laundering policy 18. Code of Conduct for all Director and senior Management 19. Conflict of interest policy
Principle 2:	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	1. Sustainable procurement Policy 2. Promotion of sustainable consumption 3. Risk Management Policy 4. Responsible Consumption policy

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Principle no	Principle details	Policy as per principle
Principle 3:	Businesses should promote the wellbeing of all employees	1. Canteen Policy 2. Employee Health & Safety policy 3. Drug & Alcohol Policy 4. Long service Award Policy 5. Onboarding Policy 6. Loan & advance Policy 7. Fair competition Policy 8. Recruitment Policy 9. POSH 10. Career Progression Policy 11. Diversity, Equity and Inclusion Policy 12. Vigil mechanism /whistle blower policy 13. Prevention of sexual harassment policy 14. Risk management policy
Principle 4:	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	1. CSR policy 2. Sustainable Procurement Policy 3. Stakeholder Engagement Policy
Principle 5:	Businesses should respect and promote human rights	1. Child & Forced Labour Policy 2. Human Rights Policy 3. Sustainable Procurement Policy 4. Supplier Code of Conduct 5. Gift Hospitality & Entertainment Policy 6. Prevention of sexual harassment policy 7. Vigil mechanism /whistle blower policy 8. Risk management policy 9. Human Rights Policy 10. Child Labour Policy 11. DEI Policy 12. Anti-Harassment
Principle 6:	Businesses should respect, protect, and make efforts to restore the environment	1. Environment Policy 2. Bio Diversity 3. Water management 4. Air Pollution 5. Energy & GHG emission 6. Product End of Life 7. Customer health & safety 8. Responsible Consumption Policy 9. Environment Services and advocacy
Principle 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	1. Code of Conduct of all directors & senior management 2. Fair Competition Policy
Principle 8:	Businesses should support inclusive growth and equitable development	1. Recruitment Policy 2. Fair Competition 3. Sustainable Procurement Policy 4. Diversity, Equity and Inclusion Policy 5. CSR Policy
Principle 9:	Businesses should engage with and provide value to their customers and consumers in a responsible manner	1. Customer health & safety 2. Product End-of-Life 3. Information Security risk assessment 4. Vigil mechanism /whistle blower policy 5. Data management and information security policy 6 Code of conduct for business partners

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SECTION C:

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

SDGs Impacted



While business activities are essential to facilitate human well-being, they can impact the environment and society in various ways. Responsible business conduct can go a long way to limit and mitigate these impacts. Therefore, businesses must balance the needs of people and the planet with the goal of prosperity. They must operate transparently, comply with regulations and stay accountable to their stakeholders.

Ethical conduct is integral to Himadri's core business principles and serves as a cornerstone in its sustainable value creation model. The commitment to uphold ethical standards is reinforced through well-documented guidelines such as Code of Conduct and Policies.

100%
Training Coverage of Employees

Nil
Penalty

Nil
Number of Complaints

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	ESG Awareness Skills, Functional Skills, Compliance	100
Key Managerial Personnel	9	HSES, Awareness, Functional Skill, Compliance	100
Employees other than BoD and KMPs	300	HSES, Awareness, Functional Skill, Compliance	100
Workers	244	HSES, Awareness, Functional Skill, Compliance	100

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Recognizing the importance of individual preparedness, Himadri invests significantly in training programmes. Fostering a diverse, equitable and informed organizational culture at all levels including external stakeholders equal access is provided to learning opportunities. We achieved the milestone of covering 100% employees at all levels from senior management to frontline workers through our structured and inclusive training approach. Training are hosted on the Company's online Learning Management System (Utkarsh) through customized virtual training modules. In-person workshops and interactive webinars tailored for different roles within the organization are also organized. To enhance training effectiveness, Himadri conducts periodic assessments to gauge employee understanding and involvement.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

	Monetary				
	NGBRC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in ₹)**	**Brief of the Case**	**Has an Appeal been preferred (Yes/No)**
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fees	Nil	Nil	Nil	Nil	Nil

	Non-Monetary			
	NGBRC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an Appeal been preferred (Yes/No)**
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

Himadri is profoundly committed to full compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 which has enabled us to maintain a record of zero fines and penalties over the past three years. Himadri continues operating with integrity while ensuring it is liberated from any unlawful action. This manifests Himadri's robust and well defined governance structure, supported by dedicated legal and compliance team. Himadri implements clear policies on ethical conduct and carries out internal as well as external audits to ensure full compliance with all applicable laws and regulations in business operations. Continuous and mandatory insightful training modules are made available through Utkarsh portal on regulatory compliance, ethical decision making and business responsibility to all internal stakeholder. A well fortified whistle blower mechanism is in place through Speak Up platform, ensuring transparent and secure grievance redressal. This system is reinforced by stakeholder engagement, communication programs and integration of ESG principles. Each grievance is addressed by a dedicated governance committee that ensures prompt investigation and resolution.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	**Name of the regulatory/ enforcement agencies/ judicial institutions**
	Nil

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4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Himadri is firmly committed to upholding the highest standards of ethics and integrity across all aspects of its operations. Our comprehensive Anti-Bribery and Anti-Corruption Policy reflects this commitment and is fully aligned with national anti-corruption laws. It applies to all employees, including the Board of Directors, Key Managerial Personnel, suppliers, contractors, third-party vendors, and other associated stakeholders.

The policy clearly outlines prohibited practices, robust due diligence protocols for business partners, and strong financial controls designed to prevent fraud and unethical conduct. It reinforces Himadri's zero-tolerance approach to bribery and corruption, fostering a culture of transparency, accountability, and responsible business practices.

To ensure open and safe communication, a secure and confidential Speak Up / Whistleblower mechanism is in place. Employees and stakeholders are encouraged to report concerns or suspected misconduct without fear of retaliation, through designated channels such as hotlines, email, or web portals.

Himadri places a strong emphasis on awareness and education. Regular training sessions are conducted for employees, business partners, and other stakeholders. All new employees undergo mandatory training on anti-bribery and corruption standards as part of their onboarding.

Audit of Control Procedure:

To maintain the effectiveness of the policy, periodic internal audits and independent third-party assessments are conducted. These evaluations ensure our practices remain aligned with both national and international anti-corruption regulations and help identify opportunities for continuous improvement.

During FY 2024-25 an independent Anti-Bribery Due Diligence Assessment was conducted by TUV SUD South Asia Pvt Ltd. The assessment covered policy implementation, risk evaluation, third-party management, whistleblower protection, and employee awareness across multiple sites. Key findings confirmed that:

- Himadri maintains a formal, certified ABAC policy with clear accountability structures.
- Training programs are conducted regularly, covering both new hires and existing employees.
- Anonymous whistleblower channels are in place and actively used.
- Periodic risk assessments and due diligence procedures are operational across functions and geographies.

The assessment identified opportunities to further enhance third-party training, contract compliance, and targeted risk mitigation. Himadri is committed to acting on these recommendations and embedding ethical governance deeper within its organizational fabric.

Risk Overview:

Bribery and corruption can significantly harm the organisation through various forms, Himadri identified few risks in its operations

Legal penalties and financial losses

Reputational damage

Operational and regulatory disruptions

Misallocation of resources and internal ethical breaches

Exposure to blackmail and coercion

Mitigation Measures by Himadri:

Area	Initiatives/Controls
Policy Framework	Himadri has adopted a formal Anti-Bribery and Corruption Policy aligned with ISO 37001:2016. This is supported by a Code of Conduct binding on all employees.
Governance Mechanism	A dedicated Vigilance Officer oversees the grievance mechanism. Multiple confidential reporting channels are available (email, hotline, drop-boxes).
Training & Awareness	- Annual training for employees and managers on anti-bribery practices. - Onboarding sessions for new hires. - Third-party training is underway with plans for universal coverage.
Risk Assessment	- Periodic risk-based due diligence of third parties including suppliers, agents, and contractors. - Identification of high-risk functions (Sales, Procurement).

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Area	Initiatives/Controls
Contractual Controls	Anti-bribery clauses included in all contracts with third parties; work in progress to ensure 100% clause coverage.
Monitoring & Audits	- Internal audits evaluate reporting channel efficiency and policy compliance. - External assessments are conducted every three years or as required.
Incident Management	- Investigations completed within 90 days (extendable if needed). - Whistle blower incident management and investigation process in place.

Through ongoing evaluations, capacity-building, and transparent stakeholder engagement, Himadri reinforces its stance of zero tolerance for bribery and corruption as a cornerstone of sustainable and responsible business conduct.

Through these proactive measures, Himadri proudly upholds its commitment to ethical governance and sets a strong example of integrity in the industry.

https://www.himadri.com/pdf/Anti_Bribery_and_Corruption_Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

Himadri's Code of Conduct, well-structured policies and framework has ensured zero cases of bribery and corruption against internal stakeholders over last three years including this FY 2024-25. Himadri's Anti- bribery and corruption policy aligned with the Prevention of Corruption Act, 1988 (amended in 2018) sets clear guidelines prohibiting bribery, kickbacks, unethical business practices encouraging employees and stakeholders to report unethical practices without fear of retaliation. Our due diligence on bribery and corruption is assured by TUV SUD South Asia Pvt Ltd and other independent verification bodies.

Himadri's Mandatory training and awareness programs to all stakeholder including BoD, KMP reinforce a culture of compliance. Additionally, strong financial controls, internal as well as external audits ensure transparency in transactions, preventing unauthorized or suspicious activities. Strict monitoring, whistleblower mechanism through Speak Up, transparent and secure grievance mechanism, enforcement and disciplinary measures act as strong deterrents against unethical behaviour.

Himadri's Perspective on Corporate Compliance Disciplinary Action -

- The Primary goal is to ensure that all employees understand and follow the company's code of conduct, policies, and regulatory obligations.
- Disciplinary action, when justified by evidence is approached as corrective and educational tool rather than a punitive one, with the goal of nurturing a culture of responsibility and accountability
- When non-compliance is identified, at Himadri investigation, documentation, and consultation with HR and legal teams are initiated.
- The severity of action depends on the nature and frequency of the breach—ranging from verbal warnings to termination in extreme cases.
- Consistent application of disciplinary procedures to avoid any perception of bias or favoritism.
- Communication is key— Ensuring that the employee understands the violation, the expected standards, and the consequences of repeated non-compliance.
- Maintaining a clear audit trail of all actions taken to ensure traceability and protection for both the company and the employee.
- Training and awareness initiatives are rolled out post-incident to prevent recurrence and address gaps in understanding.

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6. Details of complaints with regard to conflict of interest:

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors.	0	No complaints received	0	No complaints received
Number of complaints received in relation to issues of Conflict of Interest of the KMPs.	0	No complaints received	0	No complaints received

Himadri's robust governance framework ensures that all business dealings are reviewed and approved through transparent and documented processes ensuring strict compliance with the Code of Conduct. The Code of Conduct clearly defines acceptable business practices emphasizing that all BoD, KMP must act in the best interest of the company without allowing personal or financial interests to influence their professional judgement. Regular training sessions to all stakeholders have been instrumental in fostering awareness about identifying and addressing potential conflicts of interest.

Himadri's fair competition policy prohibits all employees to indulge in cartel like behaviour, and ensures compliance with anti-trust laws and promotes fair trade practices avoiding any conflicts in accordance with Competition Council of India's guidelines.

Himadri's Gift, Hospitality and Entertainment Policy requires the disclosure of potential conflicts and outline procedures for managing them to prevent bias and maintain trust.

Himadri's Related party transactions policy ensures transparency and fairness in dealings with related entities, preventing conflicts of interest. It outlines the approval process for such transactions, ensuring that they are conducted at an arm's length and are in the best interest of the Company and stakeholders.

7. Details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There are no reported issues pertaining to corruption and conflicts of interest.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payable	47	51

Himadri follow, ethical payment practices, avoids any delays that may negatively impact vendors and suppliers, and maintain, responsible financial management. We have achieved the reduction in accounts payable days through a combination of process optimization, supplier relationship management and efficient cash flow management. We optimized our procurement-to-payment cycle by implementing semi-automated invoice processing systems through SAP, speeding up the payment approval process. This significantly reduced vendor invoices, ensuring faster payments and minimizing outstanding payables. We strengthened our internal financial controls to monitor and track accounts payable performance regularly.

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9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	26.42%	10.66%
	b. Number of trading houses where purchases are made from	608	491
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	95.01%	93.35%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	8.47%	9.19%
	b. Number of dealers / distributors to whom sales are made	19	19
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	84.97%	82.53%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	15.62%	33.54%
	b. Sales (Sales to related parties / Total Sales)	0	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	16.30%	1.73%
	d. Investments (Investments in related parties / Total Investments made)	60.96%	68.61%

At Himadri, all related-party transactions are conducted at arm's length and in compliance with norms. Regular audits and board approvals are at place to monitor and regulate related party dealings. We also ensure that loans comply legal and financial guidelines, avoiding preferential treatment. Monitoring mechanism are in place to track repayment schedules and outstanding balances to maintain financial integrity.

At Himadri, inclusiveness is a cornerstone of our business philosophy, extending beyond our operations to encompass our entire value chain. We firmly believe that supporting women-led businesses, marginalised and vulnerable group led enterprises, Micro, Small, and Medium Enterprises (MSMEs), and local communities plays a crucial role in fostering economic growth, social equity, and sustainable development. While our core raw materials—by-products of large-cap industries like steel and oil & gas—cannot be directly sourced from these groups due to the specialised nature of their production, we have proactively aligned our procurement strategy to prioritise consumables from these groups wherever possible. This approach enables us to balance operational requirements with our commitment to inclusive growth.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
244	Health & Safety Human Rights Supply Chain Management	100 (For service value chain partner)

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At Himadri, we absolutely appreciate the value created by our value chain partners. However, as we embark on this sustainability journey, it becomes imperative for us to align with the value chain partners who share our goals and ambitions. To foster a knowledge based eco-system, Himadri Facilitated capacity building workshops for its key value chain partners to educate and create shared awareness on essential areas like health and safety, human rights, labour practices and other sustainability elements. In the upcoming financial year we will engage our downstream partners in capability building.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, Himadri has instituted robust governance mechanisms to prevent and manage conflicts of interest among Board members, ensuring transparency, accountability, and ethical integrity in decision-making.

All members of the Board, including Independent Directors and Senior Management, are bound by a comprehensive Code of Conduct. This code, approved and periodically revised by the Board, provides explicit guidance on expected ethical standards, responsibilities, and protocols for disclosing potential or perceived conflicts of interest.

Key Processes and Safeguards:

1. **Disclosure Obligations:**

- Directors are required to avoid situations where personal or financial interests may conflict with those of the company.
- In cases where such conflicts are unavoidable, Directors must formally disclose the matter:
  - For Executives: to their immediate superior.
  - For Directors: directly to the Board.

2. **Board-Level Oversight:**

- Disclosed conflicts are addressed and recorded in Board meetings.
- Independent Directors play a critical role in moderating and arbitrating any potential conflict between management and stakeholder interests.

3. **Professional Integrity Standards:**

- Directors are required to act objectively, ethically, and in the company's best interest, refraining from actions that could bring personal gain at the company's expense.
- Abuse of position, exploitation of opportunities arising from their role, and any form of undue influence are strictly prohibited.

4. **Independent Directors' Code:**

- Independent Directors are required to uphold probity, safeguard stakeholder interests, and report any concerns regarding unethical behavior or potential conflicts.
- They are expected to remain independent in judgment, and report loss of independence, if any, to the Board.

5. **Governance Meetings and Evaluations:**

- At least one exclusive meeting of Independent Directors is held annually to evaluate:
  - The performance of the Board and Chairperson.
  - Flow of information from management.
- Directors' performance evaluations are used as a basis for re-appointment decisions.

6. **Training and Awareness:**

- Directors are encouraged to undertake regular updates on governance, compliance, and emerging risks, including conflict-of-interest management.

7. **Confidentiality and Transparency:**

- Directors must maintain confidentiality of internal deliberations and corporate information, disclosing data only under lawful obligation or with proper authorization.

Through these structured practices, Himadri ensures that decisions at the Board level are free from bias, rooted in integrity, and aligned with the principles of responsible corporate governance. This safeguards not only the company's operations but also the trust of investors and other key stakeholders.

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Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe.

SDGs Impacted



Responsible businesses must adopt safe, resource-efficient and low carbon technologies to design, manufacture, procure and supply goods and services to customers. Sustainable production and consumption are key to enhancing people's quality of life and preserving the planet's natural resources.

Himadri is committed to the adoption of efficient processes, cutting-edge technology, and responsible resource consumption to deliver high-quality products and services to consumers. Guided by the 'Responsible Care' framework, the Company is committed to environmental preservation and societal well-being. This commitment is reinforced through Code of Conduct, Corporate Social Responsibility Policy, Health, Safety & Environment Policy and Business Partner Code of Conduct to imbibe their goals.

100%
R&D Expenditure towards improving environmental and social impacts

>95%
Sustainable Sourcing

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	100%	100%	1. Advancement in new energy material through investing in high-performance energy materials that cater to the electrical vehicle industry. 2. Implementing tools like pilot reactors and distillation units, enhance emission efficiency. Product like carbazole exacerbate electrical device performance. 3. Installation of SmartComm software to minimize energy consumption 4. Installation of Various mechanical Lifting equipments 5. Various electrical and mechanical projects which contributed significantly in reduction of energy consumption and emissions
Capex	32.43%	17.74%	

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At Himadri, innovation is a way of conducting business. An innovation-focused strategy has empowered our research scientists and engineers to deploy cutting edge technology to create bespoke products and solutions. The Company's advanced laboratories have been accredited by NABL. Our R&D team comprises experienced national and international experts collaborating to bring fresh perspectives to problem-solving leading to leadership. As a sustainability-driven organization, Himadri focuses on the research and development of process and operations that optimize the operational efficiency along with reducing the environmental and social impacts of its activities. Research and Development forms the cornerstone of Himadri's enduring legacy, driving innovation and progress across all facets of the organization. From pioneering the upcycling of industrial by-products through cutting-edge processes to integrating nanotechnology into future-ready product offerings, R&D is deeply embedded in our ethos. Himadri is steadfastly investing in advanced technologies to meet the challenges of tomorrow, ensuring solutions that are both impactful and sustainable. The Company's product innovation pipeline is the result of proactive research and development. Over time, this has yielded decisive efficiency gains, including lower product prices, improved quality and superior yields. This innovative approach has been manifested in the lithium-ion battery materials domain. The Company is working on energy consumption and carbon footprint moderation through inventive techniques. By harmonizing customer-focused quality research with a comprehensive analysis of our products' environmental life cycle, Himadri actively contributes to SDG 9—fostering innovation, sustainable industrial growth, and resilient infrastructure. We harnessed R&D tools like pilot reactors and distillation units to revolutionize new product development. The Company's value chain has progressively widened across the decade through indigenous research, marked by a focus on special product profiles. Our innovations cater to the growing needs of industries such as electric vehicles, energy storage, and fast charging systems. By leveraging advanced technologies, we aim to enhance energy density, efficiency, and cost effectiveness across all our solutions. the Company had introduced 15 grades in speciality blacks for tyres, fibres, powder, coating and other polymer applications.

2. **a. Does the entity have procedures in place for sustainable sourcing?**

Sustainable procurement serves as one of the backbones for ensuring responsible, transparent, and strategic business decisions transitioning towards low carbon economy. At Himadri, sustainable procurement goes beyond just purchasing—it encompasses a holistic view of resource utilization, supplier engagement, and ethical decision-making. It integrates the principles of environmental stewardship, social responsibility, and economic value creation, ensuring that we not only meet our operational needs but do so in a manner that contributes positively to society and minimizes our environmental footprint. In line with our commitment to responsible sourcing, we have developed a comprehensive 'Sustainable Procurement Policy' designed to ensure that our suppliers uphold the highest standards of environmental, social, and governance performance, thereby aligning their practices with our sustainability goals. to manage risks, enhance supplier performance, and drive sustainability across the entire supply chain. Towards achieving this, Two sets of Frameworks were set up:

1. Supplier Code of Conduct requiring all suppliers to commit to a mandatory self-declaration and
2. Sustainable Supply Chain Framework outlining a set of carefully designed Key Performance Indicators (KPIs) to measure supplier sustainability performance of suppliers quantitatively and qualitatively and ensure their operational alignment with our sustainable goals.

   A comprehensive due diligence program of upstream value chain partners was conducted by TUV SUD South Asia Pvt Ltd. to ensure alignment with our sustainability objectives. which ensured all partners met the necessary criteria for responsible buisness operations.

Our sustainable procurement framework.

To ensure seamless integration of upstream supply chain risks into our enterprise risk register, Himadri has adopted a strategic categorization of procurement activities into three distinct elements: raw material, consumables, and services. These categories are meticulously mapped and managed according to the ISO 20400:2017 Sustainable Procurement Framework, which serves as a comprehensive guideline to identify and address risks, set performance standards, and ensure responsible procurement practice.

https://www.himadri.com/pdf/Sustainable__Procurement__Policy.pdf

b. If yes, what percentage of inputs were sourced sustainably?

More than 95% of inputs by Value were sourced sustainably.

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3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

As Himadri supplies its products as intermediary raw materials to businesses for manufacturing their end products, our products cannot be reclaimed from the customers. However, the company has undertaken a pilot project to reclaim carbon black from used tyres and introducing the same in our value chain.

Additionally, we are committed to researching and developing sustainable packaging options that are suitable for our product to support our sustainability goals.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, We have already got the EPR certificate from CPCB with EPR Regn. No.IM-16-000-01-AAACH7475H-24

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency? (Yes/No)	Results communicated in public domain? (Yes/No)If yes, provide the web-link.
23999	Carbon Materials & Chemicals	99.48	Cradle to gate including downstream transport & distribution	Yes	Yes

In line with our commitment to advance environmental stewardship and minimise the carbon footprint, Himadri conducted a comprehensive life cycle assessment of key products. These assessments were carried out according to ISO 14044:2018, a standard providing a framework that comprises goal definition, inventory analysis, impact assessment and interpretation, ensuring that the LCA results are consistently reliable. Conducting an LCA draws several values at critical areas from planning, execution and decision making. The LCA covered all critical stages of the product lifecycle - from the upstream transportation of raw materials, through the production process, to downstream transportation to end-users. The LCA insights enable Himadri to make informed decisions regarding raw material sourcing, production efficiency and logistics This approach ensured that Himadri can assess holistic environmental impact and identify potential improvement areas.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/Service	Description of the risk/concern	Action Taken
Carbon Materials & Chemicals	No detrimental risk found	Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2024-2025 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Pyrolysis Oil	0.1%	Nil

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Process optimisation is central to Himadri. Himadri has initiated to introduce recycled products as inputs following the end-of-life phase of its products. Additionally, we have launched a pilot project to implement a reusable packaging solution, with the potential to eliminate plastics and wood from packaging. Himadri leverages the benefit of integrated production sites and systems for systematic waste management. By-products from one production process are repurposed as raw materials of other products, widening the value chain. The Company sources raw materials from other sectorial by-products (coal tar and carbon black feedstock) resulting into majority of non-virgin materials in our value chain.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:**

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

We are dedicated to advancing our environmental protection initiatives. To turn our commitment into action, we have initiated a pilot project to create and apply a reusable packaging solution that could remove plastics and wood from our packaging. Guided by the UNSDGs, which serve as a fundamental framework for our daily operations, we aim to promote "Responsible Consumption" and a circular economy within our operations and throughout our value chain. Consequently, we are exploring various alternative materials to replace plastic packaging. Additionally, in alignment with our net-zero roadmap, we aim to eradicate the use of virgin plastic from our operations.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

Circularity at Himadri is driven both by environmental and ethical aspects. And our value chain partners epitomises this principle. Himadri launched a pilot project to implement a reusable packaging solution, with the potential to eliminate plastics and wood from its packaging. Besides, the Company strives to achieve its ambitious waste management target (zero waste to landfill). Himadri leverages the benefit of integrated production sites and systems for systematic waste management. By-products from one production process are repurposed as raw materials of other products, widening the value chain. Himadri follows EPR practices by taking responsibility for the entire lifecycle of products, including the collection, recycling and disposal of packaging waste. Himadri is advancing tire recycling projects to convert waste tires into reclaimed rubber, recovered carbon black, low sulphur industrial oil, and reclaimed steel. This process reduces landfill waste and promotes sustainable material recovery. Himadri maintains regular communication with third-party vendors to monitor the final disposal and ensure proper management of the waste, reaffirming its commitment to environmental responsibility.

Product End-of-Life Management:

As part of Himadri's ongoing commitment to environmental stewardship and circular economy principles, we are initiating a comprehensive **Product End-of-Life Management Action Plan**. This upcoming initiative aims to responsibly manage the lifecycle of Himadri's products beyond their useful phase, ensuring minimal environmental impact and enhanced resource recovery.

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Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

SDGs Impacted



Sustainable businesses must treat employees and workers within their organisation and value chains equitably and with dignity and protect their health and safety. Empowering policies, processes and systems spanning the employee life cycle ensure equal opportunity, fair working conditions and pay, and career development and progression opportunities for overall employee well-being.

Himadri operates in a sector where health & safety, employee rights and workforce development are essential for operational efficiency. Investing in employee development, fair wages and inclusive work policies enhances productivity, job satisfaction and retention, ensuring a motivated and skilled workforce. Our commitment to ethical procurement, fair payment terms and responsible sourcing fosters long term partnerships with suppliers and value chain partners. Our diverse and inclusive workforce improves decision-making, innovation and collaboration, making us a more resilient and competitive Organization.

employees and workers covered
100%
Insurance Benefits

0
LTIFR (Lost time injury Frequency rate)

100%
Training Coverage

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by											
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities		Other OHS Benefits	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	No. (G)	% (G/A)
Permanent Employees													
Male	832	832	100	832	100	NA	NA	832	100	832	100	832	100
Female	49	49	100	49	100	49	100	NA	NA	49	100	49	100
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**881**	**881**	**100**	**881**	**100**	**49**	**5.56**	**832**	**94.44**	**881**	**100**	**881**	**100**

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Category	Total (A)	% of employees covered by: Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities		Other OHS Benefits	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	No. (G)	% (G/A)
Other than Permanent Employees													
Male	172	172	100	172	100	NA	NA	172	100	172	100	172	100
Female	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**172**	**172**	**100**	**172**	**100**	**0**	**0**	**172**	**100**	**172**	**100**	**172**	**100**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by: Health Insurance		Accident Insurance		Maternity Benefits		Paternity benefits		Day care facilities		Other OHS Benefits	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	No. (G)	% (G/A)
Permanent Workers													
Male	87	87	100	87	100	NA	NA	87	100	87	100	87	100
Female	2	2	100	2	100	2	10	NA	NA	2	100	2	100
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**89**	**89**	**100**	**89**	**100**	**2**	**2.25**	**87**	**97.75**	**89**	**100**	**89**	**100**
Other than Permanent Workers													
Male	1332	1332	100	1332	100	NA	NA	1332	100	1332	100	1332	100
Female	8	8	100	8	100	8	100	NA	NA	8	100	8	100
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**1340**	**1340**	**100**	**1340**	**100**	**8**	**0.60**	**1332**	**99.40**	**1340**	**100**	**1340**	**100**

At Himadri, we believe that the well-being of our employees is the foundation of a thriving, engaged, and high-performing workforce. We are committed to fostering a work environment where every individual feels supported—physically, mentally, and emotionally. Our employee well-being initiatives are thoughtfully designed to enhance satisfaction, boost productivity, and promote long-term success for both individuals and the organization.

Work-Life Balance:

We actively promote work-life balance, understanding that a healthy equilibrium between personal and professional life is key to sustained well-being. Through flexible work arrangements—including remote work options and adaptable scheduling—we empower our employees to manage their responsibilities with greater ease and confidence.

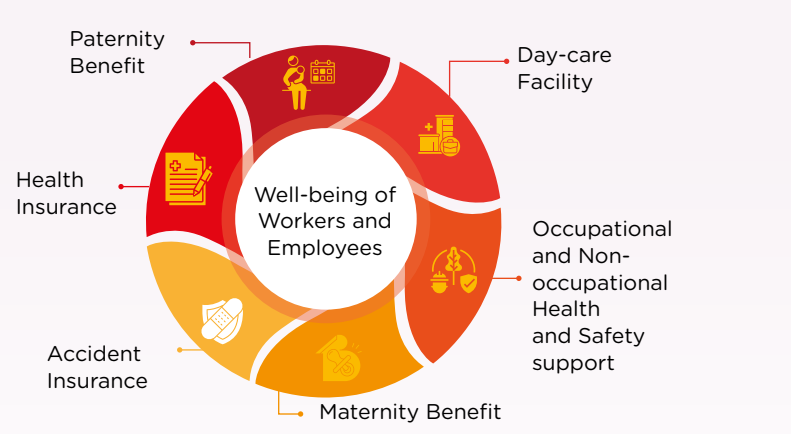
Physical Health:

Himadri is dedicated to maintaining a healthy workplace. We provide ergonomic workstations, encourage regular breaks, and offer access to wellness programs. Nutritious meals are also made available in our canteens, ensuring our employees have the fuel they need to stay energized throughout the day.

Mental Health:

Our culture is built on openness and support, where employees feel safe to discuss mental health challenges. We offer access to counselling services, conduct stress management workshops, and actively create an environment that prioritizes psychological safety.

We also extend our care beyond the workplace. In addition to ensuring safe working conditions and the prevention of occupational illnesses, we organize regular health check-ups for employees, workers, and, in some cases, their families. Our comprehensive approach to well-being reflects Himadri's belief that when our people thrive, our business flourishes.



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At Himadri, the well-being of workers and employees is not just a responsibility—it is a core principle deeply embedded in the company's values and operational ethos. Recognizing that a healthy, secure, and supported workforce is vital for sustainable growth and productivity, Himadri has implemented a comprehensive set of welfare measures that holistically address the physical, emotional, and social needs of its people. Himadri's well-being framework rests on several foundational pillars:

- **Health Insurance:** Himadri ensures that employees and their families have access to quality healthcare services through robust health insurance coverage, offering peace of mind in times of medical need.
- **Accident Insurance:** Understanding the inherent risks in industrial operations, Himadri provides accident insurance to safeguard workers against unforeseen workplace incidents, ensuring financial protection and quick recovery support.
- **Maternity and Paternity Benefits:** The company supports its employees through the different phases of parenthood by offering maternity and paternity benefits, reinforcing its belief in a family-friendly work environment and gender inclusivity.
- **Day-care Facility:** To further support working parents, Himadri provides accessible and safe day-care facilities, enabling employees to balance work commitments with family responsibilities without compromise.
- **Occupational and Non-occupational Health and Safety Support:** Himadri goes beyond compliance by offering a comprehensive occupational health and safety system. Regular health checkups, safety drills, and wellness programs form part of a proactive approach to maintaining a safe and healthy workplace.

Together, these initiatives reflect Himadri's unwavering dedication to building a supportive and empowering workplace. The company's people-centric policies are not only a testament to its ethical leadership but also an engine for long-term success and employee satisfaction.



At Himadri, the health and well-being of our workforce remain a top priority. The Occupational Health Centre (OHC) plays a vital role in promoting a culture of safety, wellness, and proactive healthcare within the organization. It serves as a comprehensive hub for various health-related services, ensuring both employees and contractors receive the care and attention they need.

One of the key initiatives includes regular health checkups for contractors, ensuring that those working on-site are medically fit and monitored periodically. In addition, periodic health checkups for employees are conducted systematically to track health trends and take preventive measures.

To support holistic wellness, the OHC facilitates consultations with physiotherapists for employees who require physical rehabilitation or recovery support. Likewise, the services of a dietitian are available for those seeking nutritional guidance and lifestyle management, promoting long-term health.

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On-site medical attention is further strengthened by access to a plant doctor, who attends to day-to-day health concerns and ensures immediate consultation for any health issues arising during work hours. A dedicated eye checkup program for drivers ensures that vision standards are maintained, directly contributing to road and operational safety.

The OHC also manages the distribution of first aid medicines, providing prompt relief for minor injuries and ailments. Furthermore, health camps are organized periodically, encouraging wide participation and raising awareness about critical health issues through screenings and interactive sessions.

Together, these initiatives reflect Himadri's commitment to not just occupational safety but overall employee well-being, creating a safer, healthier, and more productive work environment.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)-

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.32	0.30

Investing in employee well-being leads to a healthier, more engaged workforce. A focus on mental and physical health programs along with fair working conditions reduces absenteeism and helps in employee retention. Programs focused on mental health support, physical well-being and stress management contribute to overall employee health, reducing workplace injuries and health related issues. It ensures compliance with labour laws and human rights standards while demonstrating a commitment to corporate social responsibility and the UN Global Compact as well as UN Sustainable Goals.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	99.99	100	Y	99.99	100	Y
Gratuity	99.99	100	N.A	99.99	100	N.A
ESI	13.45	100	Y	11.49	100	Y
Other -(NPS)	42.33	0	N.A	42.00	0	N.A

These are critical part of Himadri's employee welfare strategy, ensuring that workers have a stable income source when they retire. Himadri recognises the critical role of managing employee life cycle data and has developed a robust ERP-based platform named HORIZON to address these needs. HORIZON integrates various Human Resource functions into a single platform, enabling seamless handling of different phases of the employee lifecycle, from pre-employment to exit. Additionally, we have a long service award policy which recognises and celebrates employee loyalty, promoting a culture of inclusion and positive reinforcement.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our establishments are accessible to differently abled persons while we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

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4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, we have a diversity policy which is aligned with the Rights of Persons with Disabilities Act, 2016. The web link for the same is https://www.himadri.com/pdf/Diversity_Equity_&_Inclusiveness_Policy.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to Work rate	Retention Rate	Return to Work rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

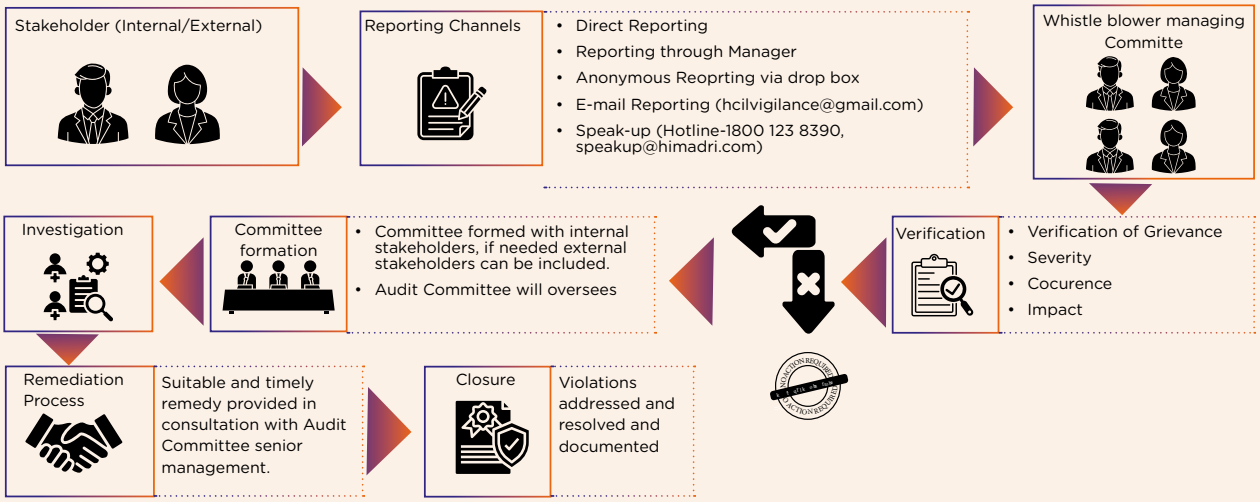
Himadri's career advancement policy, nomination and remuneration policy supports professional growth equitably, creating long-term talent retention and satisfaction. Himadri emphasises a reward and recognition programme to create a positive work environment and motivate employees. We have partnered with Advantage Club to manage and streamline the R&R programme which enhances employee retention by cultivating a sense of value, reducing recruitment and on boarding costs. The Company's alignment with the Global DEI Alliance provides valuable resources and insights to embrace diverse perspectives. This approach leads to higher employee engagement, satisfaction and retention. The Company's Nomination and Remuneration Committee supports the attraction, retention and motivation of high-calibre talent.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Himadri has formalised and widely published its grievance mechanisms, which include a standardised hotline and reporting system. Relevant personnel are trained to ensure that all complaints are reviewed and escalated when necessary. If a complaint is justified, appropriate measures are promptly taken. Employees can report incidents confidentially through a toll-free number, email, or an internal portal. External stakeholders, such as contractors or suppliers, are also encouraged to report noncompliance. A team comprising the Chief Human Resources Officer, Chief Sustainability Officer and Company Secretary handles complaints with sensitivity and impartiality. Employees who report incidents are protected against retaliation, ensuring their safety and confidence in the system. Regular audits and feedback loops help identify areas for improvement and maintain a harassment-free environment. Whistleblowing concerns can be reported to speakup@himadri.com

Flow of Whistle Blower Mechanisim



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7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	881	Nil	Nil	791	Nil	Nil
Male	832	Nil	Nil	755	Nil	Nil
Female	49	Nil	Nil	36	Nil	Nil
Total Permanent Workers	89	Nil	Nil	129	Nil	Nil
Male	87	Nil	Nil	128	Nil	Nil
Female	2	Nil	Nil	1	Nil	Nil

Himadri's Collective Bargaining Policy upholds the freedom of association and the effective recognition of the right to collective bargaining. In this context, Himadri pays importance to the rights of individual to join, form or leave a group voluntarily without any interference from external Parties. In Himadri we have various internal committees which deal with empowerment of workers, improving Working Conditions, Fair wages and benefits, Job security and Promotion of Social Justice results in reduction of workplace conflicts. Labor representation is mandatory in these committees while some of the committees are formed by management and labor representatives. However, joining these committees are kept voluntary for the workers and there is a pledge of no coercive actions. As a SA 8000:2014 certified organization, Himadri has always taken care of all who access our workplaces. Therefore, labour welfare committees have representation from the contractual workers as well. Our hired security forces are not equipped with any kind of weapon to restrict any movement of workers inside our premises. Workers are regularly trained on identifying workplace risks with respect to social wellbeing. These awareness sessions are conducted by our team with an oversight from the Board.

At Himadri, the Company recognizes that open dialogue and mutual respect are foundational to creating a positive, fair and inclusive workplace. While no political labour unions exist within the organization, Himadri upholds the principles of collective bargaining through a structured and transparent approach that values the voices of all employees and contractors, including third-party workers. To ensure meaningful representation and engagement, Himadri established various employee and worker committees that serve as vital platforms for discussion, feedback and collaboration.



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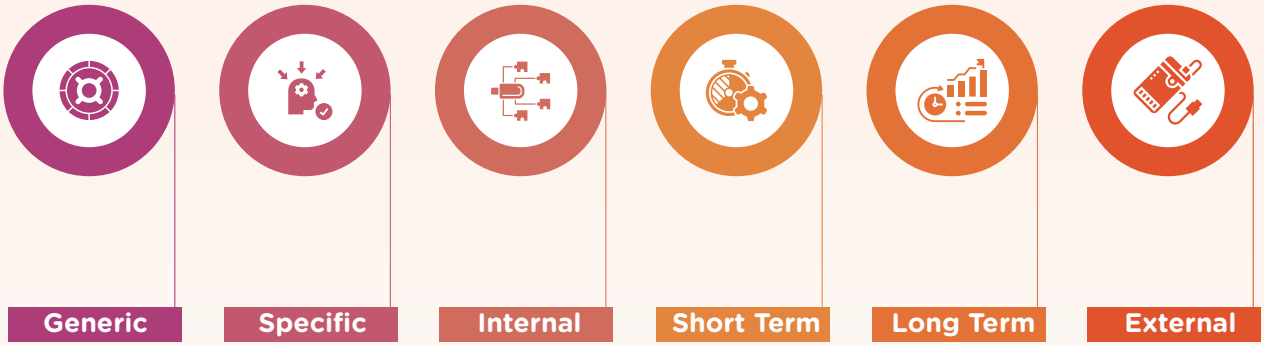
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8. Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill up gradation		Total (D)	On health and safety measures		On skill up gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Male	1004	1004	100	1004	100	849	849	100	820	96
Female	49	49	100	49	100	36	36	100	34	94
Total	**1053**	**1053**	**100**	**1053**	**100**	**885**	**885**	**100**	**854**	**96**
Workers										
Male	1419	1419	100	823	58	1134	1134	100	654	58
Female	10	10	100	8	80	11	11	100	8	73
Total	**1429**	**1429**	**100**	**831**	**58**	**1145**	**1145**	**100**	**662**	**58**

Promoting awareness of human rights and labor rights remains a key focus for Himadri. Relevant information is shared across the Company's operating divisions. In addition, mandatory training is made available through the Learning Management System (LMS) named UTKARSH, ensuring that personnel at all locations are sensitised to these topics. The issue of human rights is further integrated into the Company's existing compliance training programme. Himadri's e-learning modules cover health and safety topics, allowing employees to conveniently complete their training. These modules ensure an alignment with the Health and Safety Policy, highlighting the leadership's commitment to workplace safety. The platform offers training schedules, tracks progress and issues certifications to ensure that all employees. We Offer training on international safety standards, hazard identification, and accident prevention to ensure safer workplaces. Himadri's engagement with British Safety Council helps advance workplace health and safety. The esteemed British Safety Council provides training, for employees and management, creating a safety-first culture.

Learning and development are essential success factors for promoting a strong and future-oriented company culture. The skills and competencies of employees are critical for profitable growth and long-term success. For this reason, Himadri is committed to modernising its learning culture and enhancing efforts to promote continuous, self-directed learning and learning from others. Employee development at Himadri is built on the principle that development opportunities and support are available to all employees. At Himadri, development is viewed as continuous learning through building individual experience and skills, further training, or job changes. Employees and leaders agree on these discussions during the annual employee dialogue. Employees also define their individual learning objectives in collaboration with their leaders as part of these ongoing conversations. These objectives are tailored to the specific requirements of the role and future needs. Our learning opportunities cater to a variety of employee development needs: starting a career, expanding knowledge, personal growth, and leadership development.



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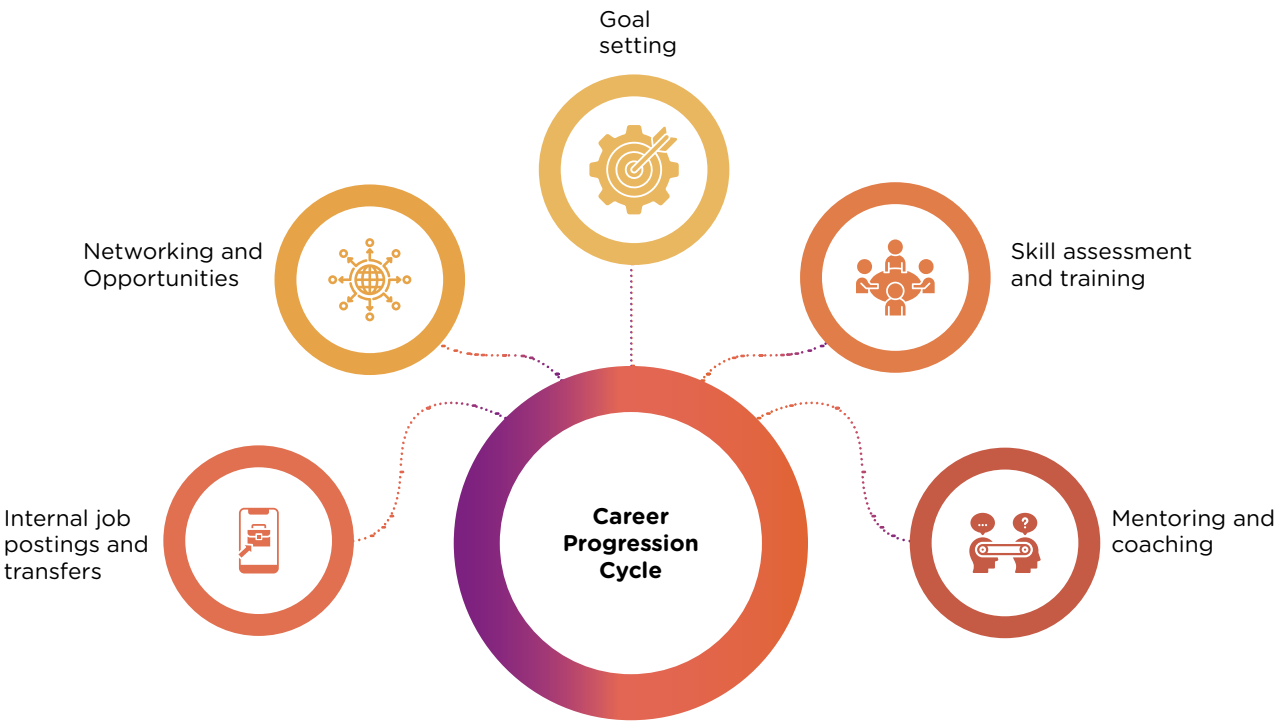
9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B /A)	Total (A)	No. (B)	% (B / A)
Employees						
Male	1004	1004	100	849	849	100
Female	49	49	100	36	36	100
Total	**1053**	**1053**	**100**	**885**	**885**	**100**
Workers						
Male	1419	1419	100	1134	1134	100
Female	10	10	100	11	11	100
Total	**1429**	**1429**	**100**	**1145**	**1145**	**100**

At Himadri, the Company believes in providing opportunities for internal talent to broaden their horizons and advance their careers over time. To support this, Himadri designs and offers various leadership training programmes, coaching and mentorship sessions and personalised career development programmes to boost employee morale. One such programme is **PRAGATI**. The objective of the **PRAGATI** programme is to offer identified high performers and high-potential individuals a platform for a fast-track learning experience, preparing them for future roles. In line with the Company's current growth plans, these individuals are equipped to take on new responsibilities through structured learning interventions. As part of the **PRAGATI** initiative, participants have successfully completed the Executive Certification in Operations Management from IIM Vizag. The organisation has nominated participants for the Executive Programme in Business and Corporate Law. The General Management Course which is also a part of the **PRAGATI** initiative, is conducted monthly by industry experts, enabling participants to gain valuable insights into best practices within the industry. This, in turn, contributes to the organisation's overall efficiency and growth. As per the latest assessment, Himadri is positioned as an 'initiator' on the inclusive business maturity curve. This milestone highlights the Company's foundational DEI practices and establishes a strong platform for further advancement.

Bias-free hiring: Himadri employs standardised evaluations, blind resume screening and diverse interview panels to promote objectivity and eliminate bias in the hiring process.

Talent development: Career advancement opportunities are accessible to all employees, with a focus on achieving equitable representation at all levels within the organisation.



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10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, Himadri promotes a culture of health and safety while supporting labour and human rights. The Company prioritises the well-being of employees and stakeholders through the implementation of various non-negotiable safety standards and ethical labour practices. This enhances productivity and catalyses sustainable development. As a responsible chemical Company, Himadri invests in essential elements of health and safety practices. The Company has set ambitious targets and implemented robust measures. Key health and safety priorities were identified through a KPI-driven approach. The Company emphasised the protection of people and property by enforcing health and safety protocols, measure and technologies designed to prevent workplace accidents and ill-health. This approach aligns with Himadri's Zero Accident/Incident vision. Himadri prioritises employee well-being through health insurance and ESIC coverage; ESG and Safety Committees assess and upgrade safety measures. Risks are countered through controls that are regularly reviewed. Safety measures include advanced fire detection systems, personal protective equipment, compliance with regulatory standards and safe chemical handling procedures. The Company's sustainability goals align with UNGC and UNSDGs, reflecting a commitment to minimise workplace injuries, promote well-being and develop sustainable practices. Himadri's consideration of double materiality reinforces the Company's commitment to understand and address financial and environmental/social impacts. The Company has mapped processes that affect and are influenced by factors within its supply chain from upstream activities to downstream distribution. Double materiality comprises a commitment to health and safety management aligned with international and national standards, extending beyond compliance. By addressing challenges to business continuity, regulatory changes and impacts on people and the planet, the Company balanced profitability with societal and environmental responsibilities. This ensures proactive risk management, operational resilience and sustainable growth.

OH&S Governance model -

Himadri's OH&S matters are governed by ESG committee at board. The group, which consists of senior executives and board members, contributes a variety of knowledge in governance, sustainability and industry best practices. The Committee establishes ESG objectives, tracks advancement and guarantees compliance with international norms and laws. It examines and suggests methods to reduce the negative effects on the environment, encourage social responsibility and strengthen governance. The committee makes sure that the company produces sustainable growth and ethical business practices which increase long-term stakeholder value by incorporating ESG into strategy.

ESG committee at Board

Oversees all the health and safety related matters and approves the objectives.

ESG Council headed by CMD/CEO

Accountable for all the health and safety related implementations. Analyse and sets the objectives.

HSE and Sustainability Steering Committee

Plans the actions and execute them at business unit level. Headed by the Unit heads.

HSE Task force team

Executes the actions at ground level and define the standards and implementation.

At the operational level, the HSE (Health, Safety and Environment) and Sustainability Steering Committee is responsible for planning and executing safety-related actions across business units. This committee, led by unit heads, ensures that the corporate OH&S strategy is effectively implemented at plant and facility levels. By focusing on risk assessments, employee training, emergency preparedness and compliance with global safety standards, this committee acts as a bridge between strategic governance and on-the-ground safety management. The involvement of business unit leaders reinforces accountability and ensures

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that safety is integrated into everyday business operations.

The HSE Task Force Team operates at the most granular level, ensuring that safety measures are implemented on the ground. This team is responsible for executing safety protocols, defining workplace safety standards and monitoring compliance with regulations. Their role includes hazard identification, conducting safety audits, implementing preventive measures and ensuring that all employees, including contract workers, adhere to safety guidelines. The task force acts as the frontline execution arm of Himadri's OH&S governance framework, directly influencing the day-to-day safety culture and reinforcing proactive risk mitigation.

Aligning with OH & S management systems: Himadri implemented ISO 45001:2018 for Occupational Health and Safety (OH&S) management systems, providing a comprehensive safety framework. Himadri adheres to the SA 8000:2014 Management Standard, reflecting a deep commitment to social accountability and ethical practices. These protocols guarantee fair treatment, safe working conditions and respect for workers' rights, including third-party personnel, covering crucial areas such as the prohibition of child labour, health and safety, fair remuneration and a reliable complaint mechanism.

Himadri's Vision Zero Accident/Incident is grounded in a proactive framework focused on four pillars - Learning, Culture, Commitment and Communication. This vision is dedicated to create a safe, healthy work environment. By implementing comprehensive safety measures, proactive risk management and continuous training, the vision strives to eliminate workplace accidents and incidents. This commitment promotes care, accountability and excellence in health and safety practices, ensuring that every individual returns home safely from work.

The significance of each pillar which drives the zero-incident workplace are:



- **Learning:** This pillar focuses on continuous improvement and knowledge enhancement. Trainee employees share their experiences. This results in updated safety practices.
- **Culture:** Himadri integrates safety into daily operations, creating a workplace where everyone feels responsible for safety and is encouraged to proactively report hazards. Efforts include the implementation of health and safety standards; introduction of 10 core safety rules; rewards and recognition systems; consequence management practices.

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- **Commitment:** Himadri's leadership sets clear expectations, provides necessary resources and leads by example. The employee commitment drives the zero incident goal. Key commitments include: Reducing the lost time injury frequency rate to below 1 by 2025; ensuring 100% of employees are trained in health and safety practices; Establishing ISO 45001:2018 certification across all manufacturing plants by 2025.
- **Communication:** Himadri promotes open channels for sharing safety concerns, incidents and best practices. Examples include: Safety alerts; Town Hall and safety committee meetings; Risk assessments and safety audits; Toolbox talks and training sessions.

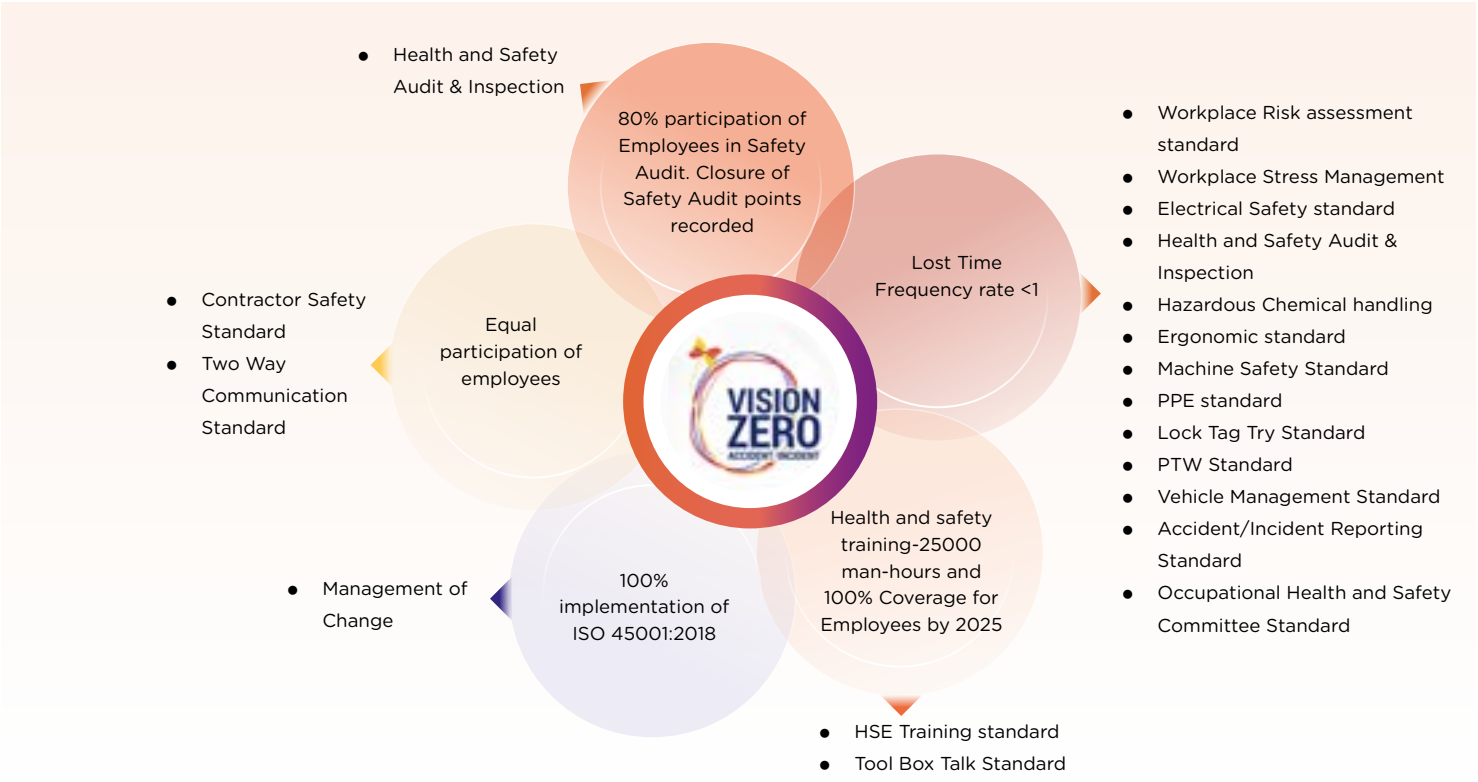
Himadri's journey from traditional safety approaches to Vision Zero Incident/ Accident philosophy focuses on specific targets to prevent accidents, while Vision Zero views safety as an integral journey and part of the business Traditional safety management often comprises programmes led by designated individuals and measures performance through injury benchmarks. In contrast, Vision Zero sees safety as an integral leadership responsibility that is embraced by all employees, viewing incidents as learning opportunities. This approach supports comprehensive safety, integrating safety into business operations and making it a collective responsibility.

Himadri developed and implemented health and safety policies to address critical health and safety elements, aligning with global and national standards prevalent in the chemicals sector.

Health and Safety Policy: Himadri's Health and Safety Policy promotes workplace safety with a zero-tolerance stance on accidents. The policy identifies and mitigates potential hazards. It emphasises physical and mental well-being. It promotes employee resilience and productivity. It makes safety a shared responsibility.

Drug and Alcohol Policy: It prohibits the use, possession, or influence of drugs and alcohol on its premises. It enforces this policy through awareness programmes, confidential support resources and a zero-tolerance approach to violations. This promotes resilience among workers, including third-party contractors.

OH&S Standards: Based on the Policies Himadri established non-negotiable standards across Occupational Health and Safety (OHS) domains, adhering to EN and ISO Standards. Himadri implemented standards for effective workplace stress management.



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Risk management: Himadri's Occupational Safety and Health (OSH) management is grounded in comprehensive risk assessment that identifies potential safety hazards. Himadri's health and safety risk assessment and mitigation systematically identifies, evaluates and prioritises potential risks. The Company adheres to a risk-based approach in compliance with the ISO 45001:2018 and SA 8000:2014 standards, covering all stakeholders (internal and external). This helps identify workplace risks and implement mitigation measures using systematic tools, reflected in lower Lost Time Injury Frequency Rate. The Company's risk management is strategic and comprehensive, ensuring that all micro-level activities and relevant sub-activities are covered.

Himadri follows five risk management steps:

- Identification of hazards;
- Identification of people who might be harmed and how;
- Risk evaluation and precaution;
- Recording of findings;
- Review and update.

These collaborative activities involve cross-functional departments, workers' representatives as well as health and safety professionals, ensuring a holistic approach.

Accident and incident management

The Company's safety performance over recent years illustrates sustained improvements in health and safety outcomes. Himadri has achieved measurable progress in reducing workplace incidents and promoting a safer environment. Himadri introduced a tracking sheet for logging injuries and incidents, with corrective and preventive actions shared across sites via a Lesson Learning Sheet (LLS). This helped mitigate similar risks across operations. The Company developed a skilled team of 80 management employees trained in 8D Practical Problem Solving to investigate accidents and implement preventive measures.

Occupational health and safety capacity building

At Himadri, safety practices are marked by continuous improvement, periodic reviews and updated policies. Engaging workers (including third party) has helped percolate safety awareness across levels. During the year under review, the Company launched a new H&S Leadership training module, covering health and safety topics. During the reporting financial year, the Company covered all management category employees. Himadri prioritised a new Permit to- Work standard, training relevant employees and deploying it across divisions, integrating risk management into the system. The Company adopted the 8D (Eight Disciplines) Practical Problem Solving (PPS) method, a structured tool in accident and incident investigations. This method identifies root causes and implements corrective actions. Management employees received 8D-PPS training to investigate incidents and implement solutions.

During the last financial year, Himadri conducted approximately 25,018 man hours of safety training (classroom sessions, online courses, hands-on drills, interactive workshops and modules on its Utkarsh Learning Management System). This covered employees, workers and third-party contractors, and consumed an average 12 hours per person per year.



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Health and Safety trainings/awareness		
Category	**Trainings**	**Awareness Programs**
Functional	Health & safety policies	Stress Management
	Health and safety standards	Mental health and well-being
	Health and safety leadership program	
Operational	Permit to work	Housekeeping and 5-S
	Electrical work	Personal protective equipment(PPE)
	Work at height	Acute and chronic diseases
	Machine Risk assessment	Forklift safety
	Accident/Incident reporting and investigation	Heat stress
	Firefighting and Emergency Preparedness	Ladder safety
	Ergonomics	Manual handling
	First-aid training	Near miss reporting
	Chemical handling and storage	Noise exposure
	Process safety	Slip, trip,fall
	8D Practical Problem Solving	
Behavioral	Advanced training on Behavioral based safety	Real life case study discussion
	Defensive driving	Tool box talks on various risk behavior topics







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Monitoring and auditing for continual improvement:

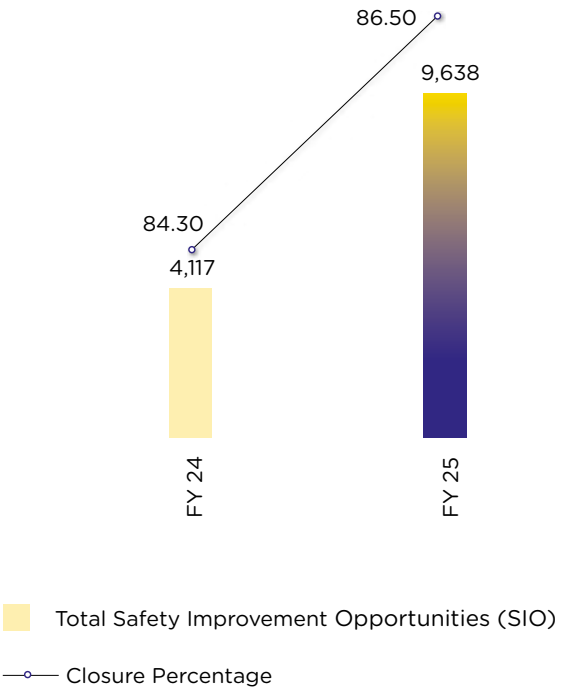
Himadri's rigorous approach to health and safety is marked by quarterly audits that cover key ESG areas. These audits are led by qualified internal auditors and members of the Health, Safety and Environment team. Regular evaluations are conducted across the Company's manufacturing sites, with a focus on Safety Audits, Risk Assessment, Health and Safety Training and KPI-related action plans. In addition to quarterly internal audits, Himadri conducts annual external audits and third-party assessments on key statutory provisions, including IS 14489, which addresses Occupational Health and Safety management system. Moreover we periodically conducts Electrical Safety and Fire Safety Audits (third party) following national and international regulations. This layered audit structure helps the Company adhere to high Health and Safety management standards. By integrating internal audits, external reviews and third-party assurance, Himadri has established a comprehensive framework that promotes transparency, accountability and improvement. This approach empowers the Company to communicate advancements towards health and safety Management.

Material Topics	Internal Audit	External	
		Audit	Assurance/ Verification
ISO 45001:2018 Compliance	✓	✓	✓
SA 8000:2014 Compliance	✓	✓	✓
Statutory Audit as per IS 14489	✓	✓	✓
Fire Safety Audit	✓	✓	✓
Electrical Safety Audit	✓	✓	✓

Himadri offers a number of procedures and platforms for employees to formally report work-related risks. The Safety Audit Tool is one such tool that our employees use on the job. Every week, all Himadri employees take part in the workplace audit and report issues to the relevant department for resolution. We have introduced a QR Code-based reporting system to make it easier for employees to report work-related hazards. Over 32 percent of our employees' participation increased in FY 24-25 who conducts regular safety audits on a monthly basis. In FY 24-25 we have captured over 9,638 number of safety audit points which has increased from 4,117 Safety Audit Points from the last FY 23-24. Moreover, the closure rate also increased to 86.5% overall which includes various Safety Improvement Opportunities (SIO) to upgrade the Safety Standard.

This led to an overall improvement in worker safety. Employees are involved in this audit program, including line managers, employees, top management and HSE staff. We will be applying the same rule to temporary and contract workers in the future.

Safety Audit Management



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Himadri's 10 Core Safety rules emphasize personal accountability, adherence to protocols and proactive risk management. These rules include:

- Mandatory personal protective equipment (PPE) for all employees
- Machinery and vehicle operation by authorised personnel
- Machine guarding and safety devices
- Practise Lock, Tag & Try procedure for safe shutdown and de-energisation
- Permit-to-work for high-risk activities
- Fall protection for height work
- Ensuring confined space safety prior to entry
- Pre-job risk assessments
- Certified and authorised personnel are permitted for electrical tasks.
- SWI/SOP for all standard activity



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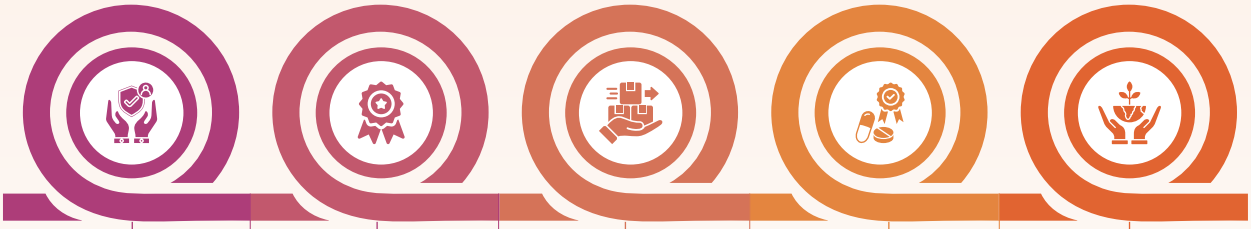
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b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Himadri's occupational health strategy is structured around comprehensive safety initiatives. This encompasses risk assessment, standardisation of procedures, workplace health promotion, occupational health training, occupational hygiene management, occupational health services, rehabilitation and institutional support for work-related injuries / illnesses and audits (internal and external). The focus is on identifying potential hazards, assessing risks, establishing safety protocols and supporting wellbeing (physical and mental). Himadri emphasises hygiene standards, offers medical support and provides support (rehabilitation and institutional). This holistic approach underlines Himadri's dedication to sustain a safe and healthy work environment. Risk assessment is key to occupational health at Himadri, ensuring the identification, evaluation and mitigation of workplace health hazards to protect employee safety and well-being. This process begins with identifying potential hazards, assessing their likelihood and severity and implementing control measures to reduce risks. Himadri's general risk assessment comprises identifying, capturing and recording occupational health risks.

Himadri has implemented a comprehensive standard operating procedure (Framework) to manage industrial noise effectively, ensuring a safe, compliant and comfortable work environment for all employees. Several impactful noise reduction measures have already been implemented. For instance, acoustic hoods have been installed in high-noise areas such as the CETP and RC zones. Through continuous noise monitoring and the adoption of advanced noise mitigation technologies, the Company strives to reduce its environmental impact while supporting a quieter, safer workspace.

Risk assessment is key to occupational health at Himadri, ensuring the identification, evaluation and mitigation of workplace health hazards to protect employee safety and well-being. This process begins with identifying potential hazards, assessing their likelihood and severity and implementing control measures to reduce risks. Himadri's general risk assessment comprises identifying, capturing and recording occupational health risks. Risks are categorised into high, medium and low levels based on the likelihood of prolonged exposure. High and medium risks are reviewed monthly by the senior management in the ESG Council level to ensure proactive oversight. Himadri prioritises controls, including elimination, reduction, isolation and exposure control. Personal protective equipment is provided at no cost to all employees and contractors, reinforcing the Company's health-conscious environment.



Safety

Protocols to protect workers (including third-party contractors) and prevent accidents.

Quality

Guidelines to maintain high standards in product output.

Delivery

Timely completion and delivery of processes.

Manufacturing practices

Techniques to establish efficient and effective production methods.

Environment

Practices aimed at minimising environmental impact through sustainable approaches.

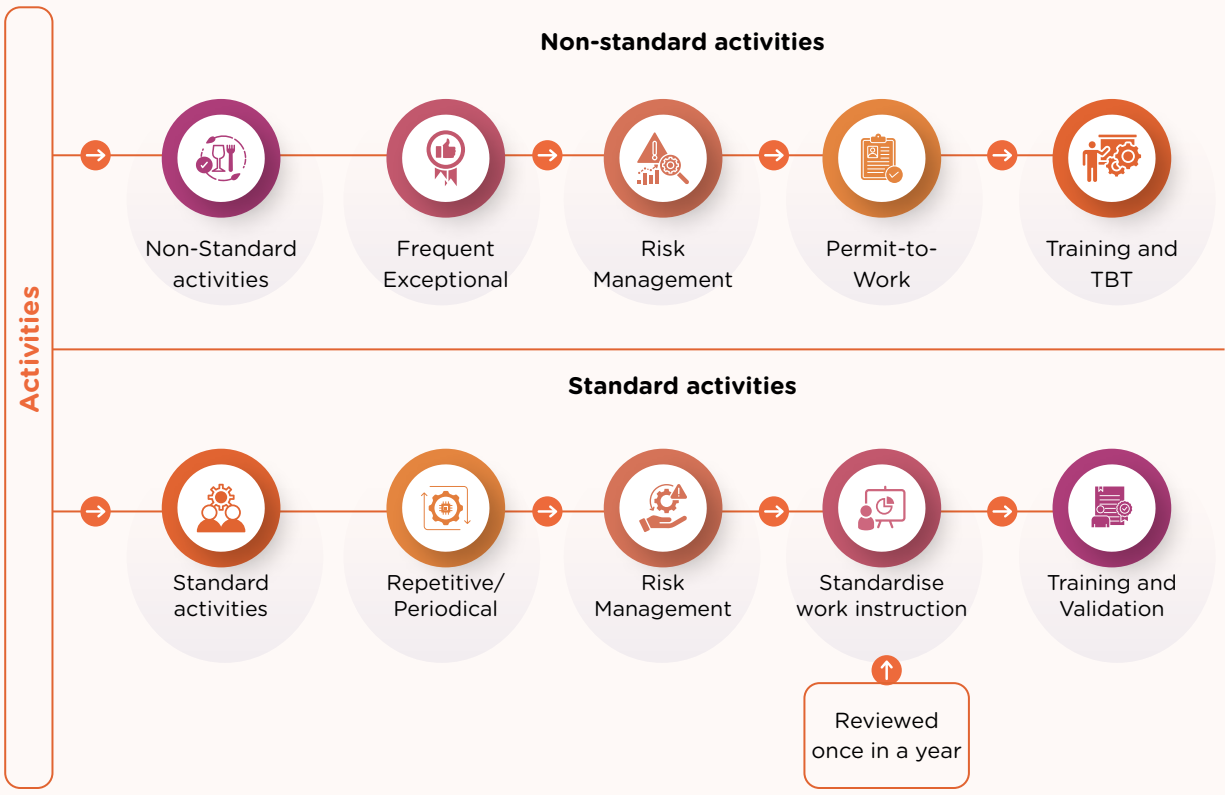
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Standard Activities-These are divided into repetitive and periodic categories. The process for managing standard and non-standard activities enhances the safety focus. For standard activities, which occur either repetitively or periodically, the process begins with risk assessment to identify and mitigate potential hazards. Detailed instructions are developed to ensure safe operations and that employees undergo training and validation to confirm their related competence. The process is reviewed annually. Himadri's Standardised Work Instructions (SWIs) provide a comprehensive framework that ensures consistency across operations. These SWIs are based on internal standards that are aligned with EN and ISO standards. The key elements of the SWIs include:

- Safety-Protocols to protect workers (including third party contractors) and prevent accidents.
- Quality-Guidelines to maintain high standards in product output.
- Delivery-Timely completion and delivery of processes.
- Manufacturing Practices-Techniques to establish efficient and effective production methods.
- Environment-Practices aimed at minimising environmental impact through sustainable approaches.

Non-standard (non-routine) activities-Himadri addresses non-routine work through its Permit to Work (PTW) system. This structured process identifies, communicates, mitigates and controls risks in hazardous areas, non-standard situations and potentially dangerous conditions (shutdowns), enhancing frontline worker safety. In the Company's 24x7 operations, PTW system is mandatory, typically used in maintenance. Non-standard activities, while frequent, are exceptional and require a customised approach. These activities commence with risk assessment to address specific and unique risks. Before proceeding, PTW ensures safety. Workers are trained and participate in toolbox talks (TBT) to manage associated risks. There are seven main types of work permits: Hot work permits, General work permits, Confined spaces work permits, Electrical work permits, Height work permits, Excavation permits and Radiography work permits. Each work permit is categorised based on the nature of the job and associated hazards, ensuring appropriate safety measures are implemented.



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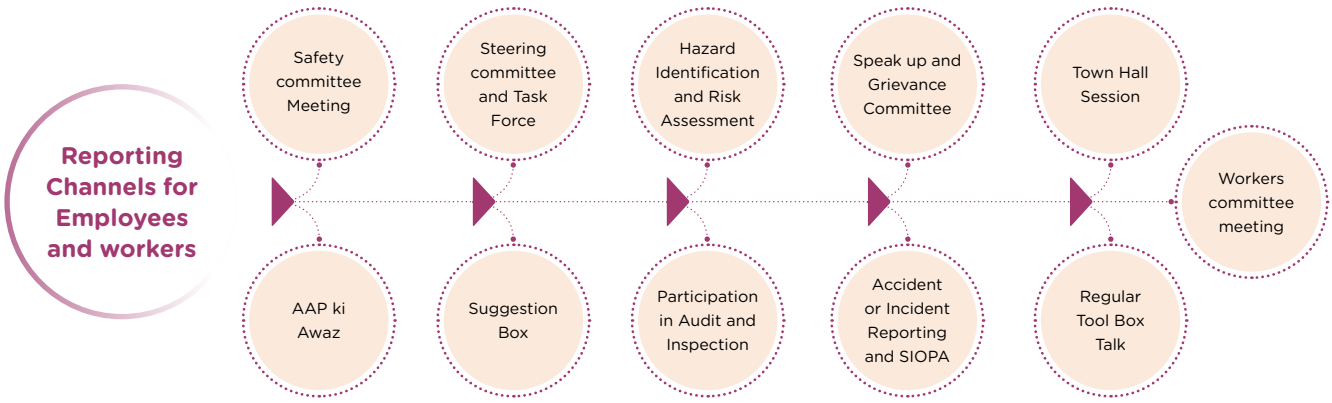
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c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, Himadri established multiple channels for workers to report work-related hazards. A key tool for this purpose is the Safety Audit Tool, used by employees to enhance workplace safety. Each week, all employees participate in workplace audits and promptly escalate any identified issues to the relevant department for correction. To simplify reporting, Himadri introduced a QR code-based reporting system, enabling employees to easily raise work-related hazard reports. Employees can access digital safety checklists and receive real-time updates on safety protocols and corrective status.

Himadri addresses the timely reporting of incidents (fires, explosions, material spills and other chemical releases). Himadri's internal accident and incident reporting standards adopt stringent definitions for Lost Time Injuries (LTIs) and severe accidents compared to regulatory bodies. All manufacturing plants are required to report medically treated Injuries (MTIs), extending investigations to include all Dangerous Occurrences (DOs) and MTIs. Himadri investigates every accident and incident in its manufacturing plants and offices. First-aid cases and low severity DOs are addressed through the Line Practical Problem Solving tool, while MTIs, RSIs, LTIs and high severity DOs involving process-related incidents are managed using the 8D Practical Problem Solving (PPS) tool. The Company employs an internally developed incident reporting tool to communicate incidents to stakeholders across its manufacturing sites. Himadri targeted to reach a Lost Time Injury Frequency Rate (LTIFR) of below 1.0.

Comprehensive approach in Safety Audit and Risk Assessment - Himadri adopts a proactive approach to safety audits to find out the safety improvement opportunities (SIOs) and conclude with their preventive actions. In addition to it, workplace risk assessments particularly emphasizing risks with a Risk Priority Number (RPN) above 32 were conducted on regular basis to initiate actions and their closure for all the work related high risk areas. Such high-RPN scenarios indicate substantial risk and Himadri's policies prioritize these areas to ensure effective control measures and mitigation strategies. Regular safety audits, in alignment with internal standards evaluate these risk zones to identify potential threats and enhance safety measures. This approach integrates continuous monitoring, assessment and improvement protocols aiming to safeguard both employee and non-employee workers through detailed action plans, training and regular follow-ups of audit points and their closure which is termed as SIOPA (Safety Improvement Opportunities with permanent Actions) in Himadri to manage risks effectively and uphold a secure work environment. 841 nos. of total risk were identified for FY 24-25 in comparison to 471 nos. of total risks which were identified during FY 23-24 with high risk being 440 in numbers. Closure percentage of all the risk captured from Risk Assessment is lying at 83.82% and in FY 24-25 we have captured over 9,638 number of safety audit points which has increased from 4,117 Safety Audit Points from the last FY 23-24. Moreover, the closure rate also increased to 86.5% overall which includes various Safety Improvement Opportunities (SIO) to upgrade the Safety Standard.

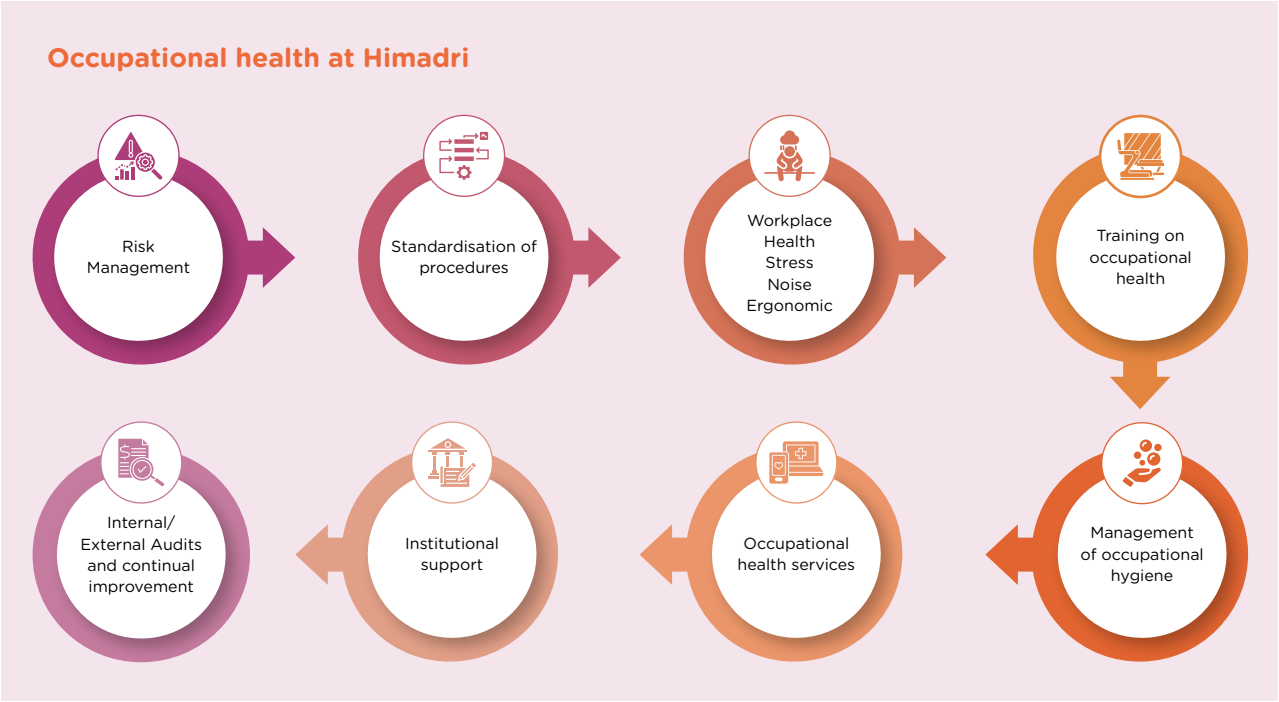


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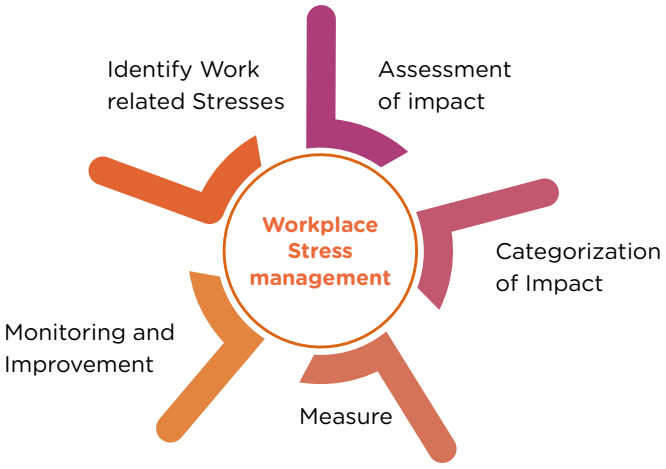
d. Do the employees/ worker of the entity have access to non-occupational medical and health care services? (Yes/ No)

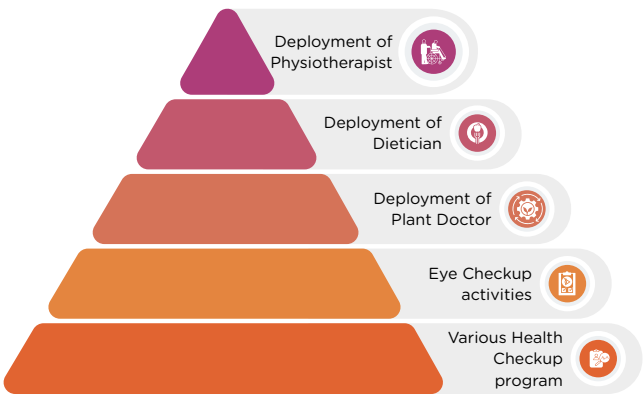
Yes, Himadri, as a responsible employer, recognizes the importance of supporting the overall health and well-being of its employees, extending beyond work-related injuries or illnesses. The company offers comprehensive health insurance plans, which cover a variety of healthcare services, including routine doctor visits, specialist consultations, prescription medications and preventive care services such as vaccinations and health screenings. Additionally, Himadri organizes regular health check-up camps and wellness programs, allowing employees to proactively monitor their health and address any concerns early. For mental health support, the company offers Employee Assistance Programs that provides confidential counselling services to help employees manage personal or work related stress, anxiety and other mental health challenges. The approach to address the same is multi stepped, which imply Identification of work related stresses, Assessment of impact, Categorization of impact, Measurement, Monitoring and improvement. Mindfulness and stress reduction activities (yoga, meditation, or breathing exercises) are promoted. Workshops on time management, stress-reduction techniques and resilience equip employees with strategies for handling pressure.



Workplace stress management

Himadri implemented standards for effective workplace stress management, comprising the following:





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11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	Nil	1.93
	Workers	Nil	0.60
Total recordable work-related injuries	Employees	Nil	5
	Workers	Nil	2
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	1
	Workers	Nil	Nil

Employees feel more valued and cared for by the organization when it is transparent about any safety concerns or accidents. It signals to all stakeholders that safety is a priority and that they organization is dedicated to addressing and preventing risks. This promotes safety culture where employees feel empowered to report potential hazards and are actively involved in maintaining a safe work environment.

Himadri's e-learning modules cover health and safety topics, allowing employees to conveniently complete their training. These modules ensure an alignment with the Health and Safety Policy, highlighting the leadership's commitment to workplace safety Himadri's QR code-enabled mobile application empowers employees to conduct safety audits, report hazards and submit safety concerns from smartphones. This application supports daily compliance with Tool Box Talk protocols and facilitates root cause analysis for accidents, engaging all relevant departments and individuals. Employees can access digital safety checklists and receive real-time updates on safety protocols and corrective status. Through these digital tools, Himadri promotes a technology-driven safety culture which has helped to reduce safety related incidents.

The continue decline in the numbers of safety incidents over years, signifies our diligent efforts at imparting non-negotiable safety norms at workplace, further emphasizing our Sustainability objective of 'zero accident' vision. Strong health and safety policy has minimized the risk of accidents, injuries and occupational diseases.

As per Himadri's Accident and Incident reporting standard we report LTIs Work-related fatality, injury or occupational illness/disease resulting in the loss of 1 full day or more, not including the day or shift on which the accident occurred. If the day following the incident is a non-working day, the incident is still an LTI if the person is not fit for work.

12. Describe the measures taken by the entity to ensure a safe and healthy work place

Occupational Safety For Himadri



Himadri takes a robust and systematic approach to occupational safety, prioritizing the well-being and security of its employees, contractors, and all stakeholders involved in its operations. The company follows a structured safety framework encompassing multiple interconnected components that ensure a safe, healthy, and resilient workplace.

1. Risk Assessment

The foundation of Himadri's safety culture begins with proactive risk assessment. Potential hazards are systematically identified and evaluated to implement effective control measures that prevent workplace incidents.

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2. Management Standards and Non-Standard Works

The company sets stringent management standards and pays special attention to non-standard or high-risk tasks. This ensures that every work activity, especially those outside routine operations, is carried out with appropriate safety protocols.

3. Workplace Safety

Physical workplace conditions are continuously monitored and improved to eliminate unsafe conditions. Himadri ensures safe infrastructure, proper ergonomics, and adherence to safety guidelines to reduce injury risks.

4. Contractor Safety Management

Safety is extended beyond employees to include all third-party contractors. Himadri ensures contractors comply with internal safety requirements through induction programs, monitoring, and audits.

5. Accident and Incident Management

Any incident, no matter how minor, is thoroughly investigated. Root cause analyses are conducted, and corrective actions are implemented to prevent recurrence and promote a culture of continuous improvement.

6. Emergency Management

Preparedness is key. Himadri conducts regular emergency drills and has response systems in place to manage fires, chemical leaks, and other emergencies, thereby minimizing potential harm to people and property.

7. Engagement of Workforce

A strong safety culture is built on employee involvement. Workers are encouraged to participate in safety committees, report hazards, and contribute suggestions for improving workplace safety.

8. Occupational Safety Capacity Building

Continuous training and capacity-building programs are implemented to enhance employees' knowledge and competence in safety practices. This includes technical training, behavioral safety programs, and leadership engagement.

9. External/Internal Auditing, Procedure and Review

Regular audits, both internal and external, are conducted to assess compliance with safety standards. These audits help identify gaps and guide the necessary procedural improvements. Himadri implemented internal safety audit standard where the participation percentage increased by 33% than the last financial year.

10. Rewards and Recognition

Himadri recognizes and rewards individuals and teams who contribute significantly to safety improvements. This not only motivates employees but reinforces the value of safe behavior in the organization.

11. Health and Safety related Digital Initiatives

- Employees at Himadri can report risks, safety issues, and compliance with the daily Tool Box Talk Protocol and the Root Cause Analysis tool for any accident by visiting and interacting with all relevant departments and individuals. Thanks to the implementation of QR Code-based mobile applications. Which gives access to real-time safety protocol and action status updates, as well as digital safety checklists.

Online Safety Audit

Toolbox Talk Reporting

- Employees can finish the necessary training at their own pace with Himadri's e-learning modules on health and safety subjects, which help them comprehend the leadership's dedication to health and safety as well as the implemented health and safety policy. Additionally, this platform tracks training progress and certifications, offers training schedules and their specifics, and makes sure all staff members are knowledgeable about the most recent safety procedures.

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- Himadri introduced a user friendly digital platform for incident reporting and management. This software allows for efficient logging of incidents, tracking investigations and generating reports, helping to identify trends and implement corrective actions more effectively.

Incident Reporting Tool

- We implemented daily Safety Activities for all HSE members at Himadri, which give members a comprehensive overview of all daily health and safety-related activities they participate in and involve department owners in identifying and reducing workplace risks and hazards through collaborative visits and inspections. This system keeps track of daily safety audits, training details, TBT and PTW details, maintenance activities, tanker safety activities, and the necessary responses to anomalies.

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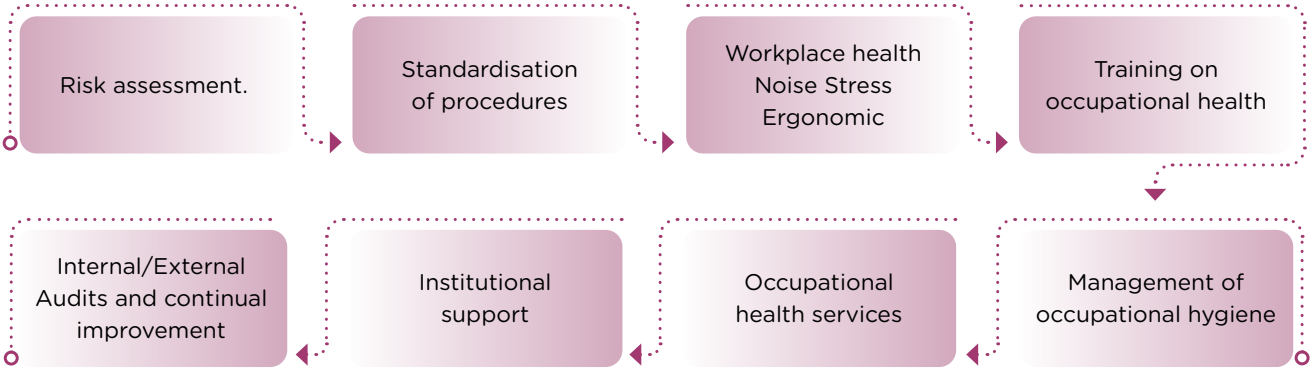
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12. Act on Opportunities for Continual Improvement

Safety is not static; Himadri continually seeks opportunities for enhancement. Through lessons learned, benchmarking, and technological innovations, the company strives to elevate its safety performance.

Himadri is committed to complying with all local, national and international health and safety regulations. Regular updates on changes to safety laws are communicated to employees and integrated into the company's safety practices. The company ensures that all safety protocols and practices align with the legal requirements.

Occupational health at Himadri



Himadri's occupational health strategy is structured around comprehensive safety initiatives. This encompasses risk assessment, standardization of procedures, workplace health promotion, occupational health training, occupational hygiene management, occupational health services, rehabilitation and institutional support for work-related injuries / illnesses and audits (internal and external). The focus is on identifying potential hazards, assessing risks, establishing safety protocols and supporting wellbeing (physical and mental). Himadri emphasizes hygiene standards, offers medical support and provides support (rehabilitation and institutional). This holistic approach underlines Himadri's dedication to sustain a safe and healthy work environment. Himadri's Anti-Discrimination and Harassment Policy, outlines our stance against discrimination and harassment prohibiting any behavior such as verbal abuse, inappropriate jokes, unwelcome advances and defines measures for ensuring compliance, addressing violations, and fostering a safe work environment for all employees.

Himadri prioritizes occupational health by identifying, evaluating, and mitigating workplace health hazards to protect employee safety and well-being. The process involves identifying potential hazards, assessing their likelihood and severity, and implementing control measures to reduce risks. Himadri categorizes risks into high, medium, and low levels based on prolonged exposure likelihood. High and medium risks are reviewed monthly by senior management, while controls like elimination, reduction, isolation, and exposure control are prioritized. Personal protective equipment is provided free of charge to all employees and contractors.

Himadri is committed to implementing occupational health standards to ensure workplace safety and employee well-being. These standards align with national and international regulations, and Himadri conducts regular risk assessments to identify potential workplace health hazards. The company prioritizes improvements in areas with the highest potential risks. Workplace health programs focus on stress management, noise control, and ergonomics, enhancing employees' physical and mental health, increasing morale, and reducing absenteeism. Occupational health services are central to Himadri, providing medical support, routine health checks, and wellness programs. Regular training and education on occupational health ensures staff are informed about health and safety standards and equipped to handle workplace risks. By implementing occupational health standards, Himadri promotes a safe, healthy, and supportive workplace, ensuring long-term wellbeing and protection from potential hazards.

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13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

Dedicated to enhancing working conditions, workplace improvement committee collaborates with employee and worker representatives to identify and implement measures for improved comfort, working conditions, ergonomics and work-life balance. Himadri adheres to the SA 8000:2014 Management Standard, reflecting a deep commitment to social accountability and ethical practices. These protocols guarantee fair treatment, safe working conditions and respect for workers' rights, including third-party personnel, covering crucial areas such as the prohibition of child labour, health and safety, fair remuneration and a reliable complaint mechanism.

As a forward looking organization, Himadri actively seeks to redress concerns raised by our employees/workers. However, since inception we have cultivated a culture of turning concerns into opportunities. It is one of the principle building-blocks of our company. We vigorously nurture open communication channels with our employees and workers and actively take part to develop plausible and sustainable solution.

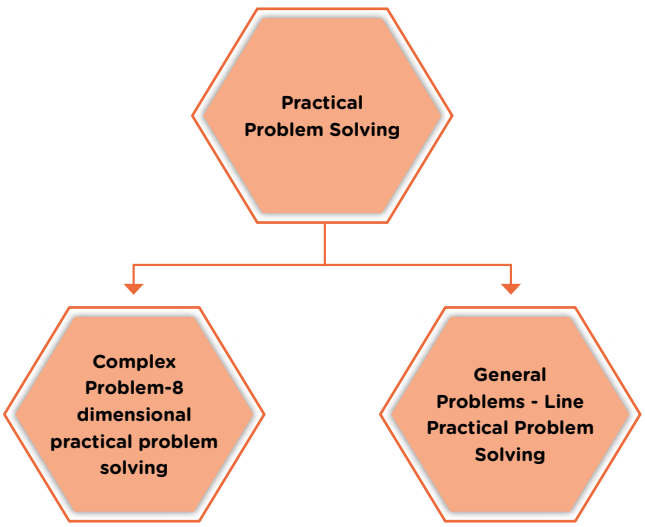
14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 (ISO 45001:2018)
Working Conditions	100 (IS :14489 & Internal audit protocol, SA 8000:2014)

Himadri conducts periodic internal audits to ensure the effectiveness of governance frameworks and compliance with sustainability standards. These audits help identify areas for improvement and ensure that the Company's processes are aligned with global standards. Himadri undergoes third-party assurance for critical health & safety metrics. Independent verification bodies, including TUV SUD South Asia Pvt Ltd. and other globally accredited agencies, assess the Company's sustainability performance. This external verification confirms that Himadri's practices align with global best standards and sustainability frameworks. By integrating internal audits, external reviews and third-party assurance, Himadri has established a comprehensive framework that promotes transparency, accountability and improvement. This approach empowers the Company to communicate advancements towards health and safety Management.

15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Himadri has a robust process for reporting near misses, accident or dangerous occurrences. We ensure all manufacturing plants report Lost Time Injuries (LTIs), Medically Treated Injuries (MTIs) and First Aid Cases (FACs) to maintain safety focus. Investigations extend to all the Near Misses, First Aid Cases, Dangerous Occurrences and MTIs. First aid cases and low severity DO's are solved using Line Practical Problem Solving tool, while MTI, RSI, LTI, and High Severity DO's cover process-related incidents using the 8D Practical Problem Solving tool. Himadri aims to reach an LTIFR below 1.0, ensuring employee safety and achieving zero accidents.

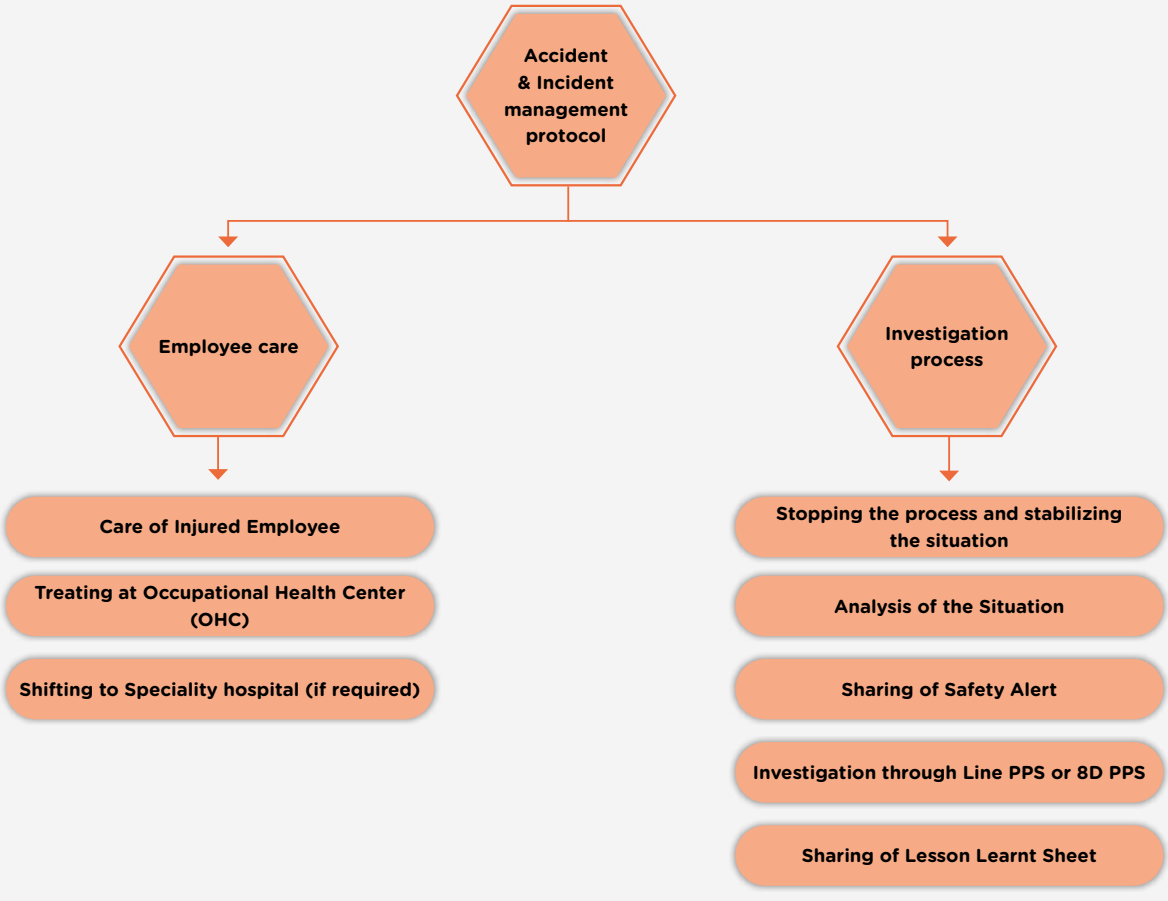


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- **D1** Clarify the incident
- **D2** Grasp the present situation
- **D3** Contain and set target
- **D4** Analyze causes
- **D5** Define countermeasures
- **D6** Execute and track progress
- **D7** Check results
- **D8** Standardize and establish control



Empowering People through Safety Leadership and Problem-Solving at Himadri - At Himadri, we believe that cultivating a strong safety culture and building problem-solving capabilities are key drivers of operational excellence. In line with this vision, we have successfully trained over 200 employees under our Safety Leadership Program, empowering them to take ownership of safety, led by example, and provide a proactive safety mindset across teams.

In addition, our workforce has been equipped with critical thinking and analytical skills through training on the 8 Dimensions of Practical Problem Solving. This structured approach enables our employees to identify root causes, implement sustainable solutions, and drive continuous improvement in their daily work.

These initiatives reflect our ongoing commitment to nurturing leaders at every level and creating a safer, smarter, and more resilient organization.

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Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   Yes, the Company extends life insurance/ compensatory package to all its Employees and Workers in the event of death.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   During the contract with value chain partners [suppliers & vendors] the company ensures that there is provision of compliance with terms and conditions, including all the applicable laws of the land. Moreover, for contracts related to manpower supply, the company has implemented a robust system which cross-checks to ensure that all statutory dues are accurately deducted and deposited. Himadri is committed to fostering transparency, ethical practices, and compliance throughout its value chain, including upstream and downstream third party partners like agents, consultants, and distributors. The Due Diligence Programme ensures that all partners align with Himadri's sustainability objectives and adhere to global standards of governance, social responsibility, and environmental impact mitigation. This structured programme evaluates partners on critical elements, including anti-bribery, anti-corruption, prevention of child and forced labor, anti-tax evasion, and data security. It involves a systematic process of assessment, categorisation, monitoring, and continuous improvement to mitigate risks while promoting ethical and sustainable practices. The programme ensures partners comply with tax regulations and demonstrate ethical financial practices. Measures include:

   - Validation of partners' tax filings and compliance records.
   - Monitoring for any discrepancies in financial transactions or reporting.
   - Training sessions for partners on the importance of adhering to anti-tax evasion norms.
   - Offering training sessions on adherence to anti-tax evasion norms.

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total number of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-2025 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-2025 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil	1	Nil	1
Workers	Ni	Nil	Ni	Nil

Himadri's commitment to workplace safety extends beyond its direct employees, incorporating a comprehensive contractor safety management protocol designed to protect all non-employee workers (including third party) on site. This protocol is rooted in rigorous standards that cover multiple aspects of health and safety to ensure a safe, compliant and efficient work environment for contractors.

The contractor safety management protocol includes specific standards for Contractor Safety, Workplace Risk Assessment, Workplace Stress Management, Health and Safety Training, HSE Audit & Inspection and Hazardous Chemical Handling. Each standard is meticulously designed to address critical safety concerns and implementation of high safety standards. The protocol ensures that all contractors are thoroughly trained on safety procedures relevant to their roles and responsibilities. This training includes modules on handling hazardous materials, understanding workplace hazards.

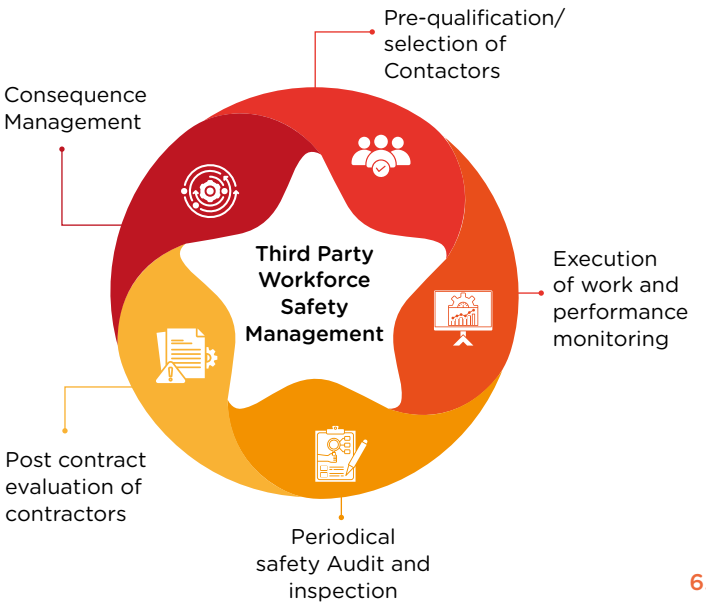
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Regular HSE audits and inspections are conducted to assess and confirm adherence to these standards. These audits help identify any potential safety risks which allows Himadri to promptly address concerns and implement corrective actions. Himadr's commitment also extends to risk assessments, with protocols in place for evaluating and mitigating hazards specific to the tasks contractors perform.

Through its robust contractor safety management protocol Himadri demonstrates a proactive approach to occupational safety towards implementing a culture of safety awareness and continual improvement. This not only aligns with regulatory compliance but also reflects Himadri's dedication to protecting all individuals on its premises.

As part of its commitment to contract safety management, Himadri ensures that all third-party workers undergo 100% induction training before their engagement on the shop floor. This training provides essential knowledge on safety protocols, operational procedures and risk mitigation measures specific to the work environment and actions during Emergency situations. By equipping third-party personnel with the necessary skills and awareness we provide a culture of safety, reduce the likelihood of incidents and maintain a safe and compliant workplace for everyone involved.



4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No, Himadri do not offer any formal transition assistance programs. However, Himadri is deeply committed to human capital development. we invest continuously in building contemporary skills and capabilities, while offering employees diverse experiences that enhance their overall employability. These initiatives help facilitate a smooth transition to alternative opportunities both within and outside the organization.

Additionally, Himadri has a long service award policy in place, which recognizes and celebrates employee loyalty. this promotes a culture of inclusion, appreciation and positive reinforcement across the organization.

5. **Details on assessment of value chain partners on Health and safety practices and working conditions**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	88.1
Working Conditions	88.1

Himadri's Code of Conduct for Suppliers enshrines the Company's unwavering focus on fair treatment, human rights, gender diversity, child labour, wages, working hours, occupational health, safety & the environment. The Code upholds the spirit outlined in the International Labour Organisation Guidelines and United Nations Guiding Principles on Business and Human Rights and is shared and accepted by all supply chain partners. The Company has a robust process of evaluating its suppliers and service providers before engaging with them, proactively making them aware of its expectations/ requirements, and seeking commitment for compliance through contractual agreements. We are equally dedicated to strengthening awareness of this Code among our suppliers and service providers and providing support to aid them in this initiative.

Though we have engaged our upstream value chain partners – supplier, raw material consumables and service vendors, moving forward we have an action plan to engage our downstream value chain partners – customers and business partners as well.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No significant risks/concerns are observed.

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Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

SDGs Impacted



Sustainable businesses have an inherent duty to protect the interests of their stakeholders, including vulnerable and marginalized groups. Such organizations must deliver on their responsibility to maximize the positive impact of their activities, products, processes, and decisions for their stakeholders.

Himadri is acclaimed for its dedication to safeguarding stakeholder interests, optimizing shared value and harmonizing business objectives with stakeholder expectations. The Company interacts with stakeholders regularly to gather constructive feedback, which serves as an invaluable input for enhancing business decisions and fostering positive impacts. These engagements enable the Company to systematically address stakeholder concerns through structured processes.

Stakeholder Consultation

- Established methods of communication

No marginalized group identifies

- Stakeholders Identification

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Himadri's leadership team under the guidance of the Board of Directors has identified key external and internal stakeholders based on their material influence on the Company and the degree to which the Company's corporate decisions can have a direct material impact on them. Further details are available in our Stakeholder Engagement Policy and the web link for the same is https://www.himadri.com/pdf/Stakeholder_Engagement_Policy_10.02.2023.pdf

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2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers– Our greatest asset is our workforce. As an employer, we are totally dedicated to upholding our duty of care by making sure the right person is in the right job, offering sufficient training, preserving safe work procedures, and guaranteeing a safe workplace. Our goal is to guarantee a welcoming workplace with lots of chances to foster our employees' development.	No	• Email • HR Portal • Company Intranet • Newsletters • Office collaboration screens etc. • All staff 'town halls' meeting at organisation level • Team forums and training programmes	As and when required	• Maintaining and enhancing employee engagement • Informing employee Benefits, Rewards and Policies, Procedures and Programs • Employee Development Plan, Career Progression, Performance Reviews and Ratings • Understanding employee concerns or grievance • Receiving employee feedback
Shareholders and Investors – We build trust and meet shareholder and investor expectations by continuously enhancing our corporate value, proactively disclosing information, and engaging in effective communication activities.	No	• Periodic investor/ analyst interactions like individual Meetings • Participation in investor conferences • Analysts meet from time to time guided by finance department of the company • Annual Reports • Publication of periodical results • Press Release • Newspaper • Website • Periodical investor presentation	As and when required	• Educating investors about the business using accurate, timely and comprehensive information

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Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers – By actively listening to consumer concerns and opinions, using their feedback, and keeping close lines of communication, we hope to develop and improve our products and services.	No	• Customer Meetings • Business discussions as and when required • Award and Recognition ceremonies • Participation in survey conducted by customers from time to time	As and when required	• To make the customers aware about the new developments in techniques and products • Build long-lasting relationships with suppliers • To receive feedback from customers
Supply Chain Partners – To create value by enhancing efficiency and implementing responsible business practices throughout our value chain, we prioritise leveraging our influence and partnering potential with supply chain partners. Our approach to sustainable procurement is rooted in our core values, where we strive to minimise negative impacts on the environment, support local communities, and promote ethical business practices partners.	No	• Award and Recognition ceremonies • Participation in survey conducted by suppliers from time to time • Business discussions as and when required Suppliers Meetings	As and when required	• Build long-lasting relationships with capable suppliers • Monitoring Supplier Performance • Ensure supplier competency and compliance • To make aware the suppliers about the new developments in techniques and products
Communities – We aim to harmonise with local communities by understanding the impacts of our business activities, aligning our operations to meet their needs, and actively engaging in communication initiatives.	No	• CSR Activities • Volunteering Activities • Community Events • Community Survey and Consultations	As and when required	• Provide relevant and accurate information about Company • Understand the impact of company's initiatives and activities on community • Supporting causes and organizations through donations and philanthropic activities

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Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Authorities – Our Business Conduct Guidelines emphasise maintaining healthy and equal relationships with national governments. In line with these principles, we engage with and share opinions with relevant government organisations. Additionally, we collaborate with local governments to address social issues within communities.	No	• Statutory Report • Interactions with Public Authorities • Membership of industry associations	As and when required	• Understanding potential legal and regulatory changes relevant to the Himadri's business • Contributing to industry reform
Academia/ Industry Groups/ Other Institutes and NGO – We actively share knowledge and engage with academia in opinion exchange for mutual benefit, aiming to jointly contribute to society and generate innovative solutions for climate change and other pressing challenges of today.	No	• Joint research • Industry-academia summits • Environmental events and human rights topics	As and when required	• Share knowledge and engage. • Opinion exchange for mutual benefit, aiming to jointly contribute to society and generate innovative solutions for climate change and other pressing challenges of today.

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Himadri abides by Stakeholder Engagement Policy that helps the Company engage with key stakeholders (shareholders, employees, suppliers and community). It ensures that their interests are considered in the Company's decision making and promotes a continuous dialogue. A Stakeholders Relationship Committee is in place which is dedicated to transparent and effective stakeholder communication. By encouraging open communication and promptly addressing concerns, the Stakeholders' Relationship Committee helps enhance stakeholder trust and satisfaction. Himadri prioritises stakeholder dialogue to develop a mutual understanding and consultation. Stakeholder relationships Committee is dedicated to transparent and effective stakeholder communication. The Committee (two Independent Directors and Executive Director) addresses stakeholder grievances, oversees investor complaint resolution and ensures adherence with stakeholder related policies and practices. The Committee reviews stakeholder engagement activities, ensuring that the Company maintains strong, positive relationships with shareholders, customers, employees and other key stakeholders. By encouraging open communication and promptly addressing concerns, the Stakeholders' Relationship Committee helps enhance stakeholder trust and satisfaction.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   ESG priorities in the Company are driven from the uppermost level i.e., the Board of Directors. The Board provides the strategic oversight and has constituted an ESG Committee to provide guidance and monitor the ESG progress. The ESG Committee of the Board has delegated the process of undertaking consultations with stakeholders to the management. Feedback from such consultations is shared with the Committee and the Board. Himadri has undertaken a comprehensive materiality assessment and stakeholder engagement exercise to identify Environmental, Social and Governance (ESG) topics of significance. As a part of this exercise, Himadri along with an external agency, with requisite experience, engaged with the key internal and external stakeholders to understand their concerns and incorporate their views into materiality assessment, for prioritizing ESG topics and frameworks. Insights gathered through stakeholder engagement were analysed to develop the materiality matrix and arrive at the final list of ESG focus areas. The result of this assessment was presented to the ESG Committee and the Board. The outcome is being considered for defining ESG objectives of the Company.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, We regularly engage with our stakeholders such as investors, shareholders and lenders, suppliers, business partners, community, employees, customers etc. for business and management updates. Himadri adopts a responsible approach towards its stakeholders and ensures transparency in its disclosures concerning business matters. We provide crucial data and insights to global investors by doing investor presentations at regular intervals thereby helping them to make informed decisions. A formal Stakeholder Engagement Process involving direct & detailed consultation with different stakeholder groups helps us in identifying the critical issues that need our immediate attention. The inputs received through stakeholder consultation process are presented to the Board Level Management Committee which plays a crucial role in the development and implementation of strategies, policies, and objectives related to economic, environmental, and social topics.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   None of the stakeholder groups has been identified as vulnerable or marginalized.

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Principle 5

Businesses should respect and promote human rights

SDGs Impacted



Businesses must operate in a manner that respects and upholds the inherent rights and entitlement of individuals without any discrimination. The core tenets of this principle are based on the Constitution of India and international Human Rights standards such as the International Bill of Rights and UN Guiding Principles on Business and Human Rights.

Equal human right is a fundamental aspect of the Company's business ethics and operational framework, which encompasses its policies, processes and practices. The Company's commitment and respect for human rights is translated in its publicly accessible policies, including 'Labour and Human rights policy, 'Code of Conduct'. For Himadri, "dignity at work" is not just a commitment but a way of business conduct.

Nil
Complaints by employees

4.00%
Wages Paid to Female Employees

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (A)	No. of employees/ workers covered (B)	% (B / A)
Employees						
Permanent	881	881	100	791	791	100
Other than permanent	172	172	100	94	94	100
Total Employees	**1053**	**1053**	**100**	**885**	**885**	**100**
Workers						
Permanent	89	89	100	129	129	100
Other than permanent	1340	1340	100	1016	1016	100
Total Workers	**1429**	**1429**	**100**	**1145**	**1145**	**100**

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Training initiatives showcases an organizations dedication to Upholding and promoting human rights standards within operation and supply chain. Promoting awareness of human rights remains a key focus for Himadri. Mandatory trainings on human rights are made available through the Learning Management System (LMS), ensuring that personnel at all locations are sensitised to human rights principles and policies, educate stakeholders to uphold the Company's standards in their day-to-day roles. We organise training sessions to our value chain partners to raise awareness about the legal and ethical implications of human rights. Training and Development team works to identify skill gaps, training needs and career advancement opportunities, supporting the professional growth of Himadri employees. Our ESG training manual is designed to provide employees with an understanding of social, governance topics and to guide them how they can contribute to the Company's ESG goals.

Some of the training topics –

- Child labour and forced labour
- Fair wages
- Anti-discrimination
- Freedom of association
- Anti-harassment
- Health and Safety
- Diversity Inclusion and Equity
- Training on working condition and workplace
- Ethical Labour Practice

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Permanent										
Male	832	0	0.00	832	100	755	0	0.00	755	100
Female	49	0	0.00	49	100	36	0	0.00	36	100
Other than Permanent										
Male	172	0	0.00	172	100	94	0	0.00	94	100
Female	0	0	0.00	0	0	0	0	0.00	0	0
Workers										
Permanent										
Male	87	0	0.00	87	100	128	0	0.00	128	100
Female	2	0	0.00	2	100	1	0	0.00	1	100
Other than Permanent										
Male	1332	950	71.32	382	28.68	1006	696	69.18	310	30.82
Female	8	3	37.50	5	62.50	10	10	100	0	0

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Ensuring equitable wages for employees and workers promotes diversity and justice within Himadri workplace. This approach not only fosters a fair and inclusive environment but also attracts a diverse talent pool, enhancing organization performance and innovation. We regularly review and update our pay structures to reflect any changes in the Minimum Wage Act, 1948, ensuring that our compensation practices remain compliant. Our DEI policy obligates for regular audits which help us to identify and rectify wage disparities thereby advancing social justice and economic growth.

3. Details of remuneration/salary/wages

a. Median Remuneration/Salary/Wages

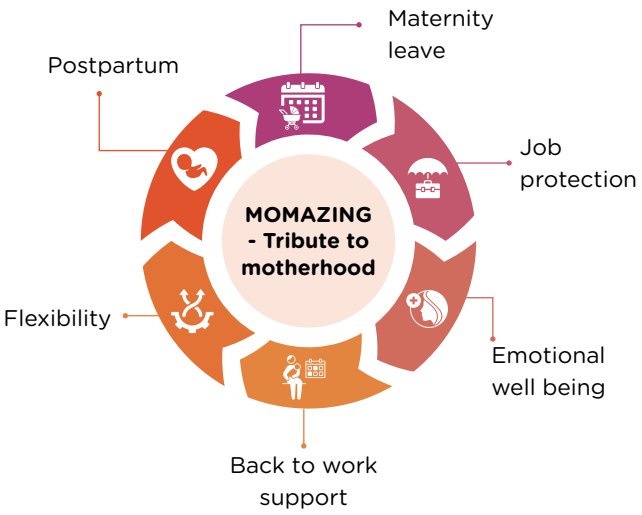
Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)
Board of Directors (BoD) (Executive Directors)	3	300	0	NA
Key Managerial Personnel	5	200.22	1	45.14
Employees other than BoD and KMP	827	5.35	48	6.67
Workers	87	2.21	2	2.14

Himadri adheres to the SA 8000:2014 Management Standard, reflecting a deep commitment to social accountability and ethical practices. These protocols guarantee fair treatment, safe working conditions and respect for workers' rights, including third-party personnel, covering crucial areas such as the prohibition of child labour, health and safety, fair remuneration and a reliable complaint mechanism.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	4.00	3.25

Himadri emphasises an inclusive work environment marked by equal opportunities for genders. It is committed to reduce gender disparity in its workforce, encouraging women's participation across roles and leadership positions. Through policies and strategic partnership with the Global DEI Alliance, it champions equal pay, women's career development and an equitable workplace. Our strategic efforts to diversify work opportunities and providing equality in terms of salary/wages across genders are practiced in the company resulting into increasing gross wages paid to female employee over the last 3 years. We have Diversity, Equality and Inclusion policy in place that outlines our commitment to embracing equality in all levels of our organization.



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Himadri is focusing on societal value creation and enhancing gender diversity in leadership roles. The company is supporting female employees' professional development through sponsorship programs, including comprehensive training, mentorship, and professional courses. Employee resource groups are also dedicated to women, allowing them to connect and collaborate on initiatives promoting gender equality. Regular training sessions and awareness programs address issues related to gender bias, harassment, and discrimination, empowering women to recognize and tackle challenges. Himadri's commitment extends beyond the workplace, sponsoring higher studies for female employees at renowned colleges and universities, empowering women to contribute significantly to the organization's success and sustainability.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Himadri is committed to fostering a work environment grounded in respect, dignity, and fairness. In alignment with this ethos, the Company has established a robust Whistle Blower and Human Rights Grievance Mechanism that serves as a focal point for addressing concerns, including those related to human rights violations caused or contributed to by the business.

The Company encourages an open-door policy, promoting transparency and accessibility across all levels. Employees and associates are empowered to raise grievances or report any form of misconduct, without fear of retaliation, through multiple safe channels.

Key Features of the Mechanism:

- Reporting Channels: Employees and associates may report grievances or violations to the Human Resource department or Senior Management. The Company strictly prohibits any form of reprisal or retaliatory action against individuals raising concerns in good faith.
- Investigation and Redressal: Where necessary, a dedicated investigation committee is formed to evaluate reported violations. In collaboration with Senior Management, the committee ensures prompt resolution and implements appropriate remedial actions.
- Human Rights Due Diligence: The Company periodically conducts human rights due diligence, monitoring the effectiveness of its policies and identifying potential areas for improvement in its governance framework.
- Prevention of Sexual Harassment (POSH): Himadri has a clearly defined POSH Policy to prevent and address any form of sexual harassment at the workplace. Concerns under this category can also be reported through the established grievance mechanisms.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

In this regard the Company encourages an open-door policy. The Company has built a strong mechanism for reporting matters or concerns faced at the workplace. Himadri recognises the importance that business can play in ensuring long term protection of human rights and for this reason the company is dedicated to upholding the human rights of its employees, communities.

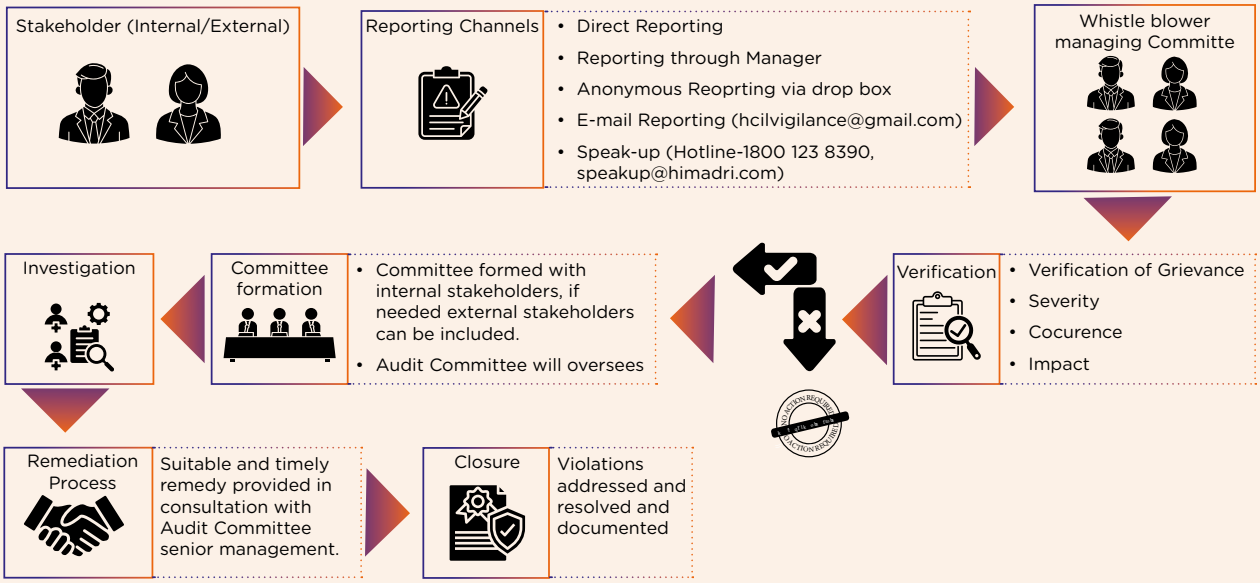
The mechanism is outlined below:

1. The employees/ associates can address their complaints or grievances or report instances to the Human Resource department/ Senior Management. No reprisal or retaliatory action is taken against any employee/ associates for raising concerns under this policy.
2. If the situation warrants, a committee is formed to investigate the violations reported. The Committee evaluates the violations reported and ensures that the same are addressed and resolved at the earliest. The Committee also, in consultation with the Senior Management, provides a suitable remedy.
3. The Company periodically undertakes human rights due diligence process for management and oversight/ monitoring of the policy and identifies any shortcomings.
4. The Company also has a Policy on Prevention of Sexual Harassment (POSH), and any such concern can be reported.

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Flow of Whistle Blower Mechanisim





Himadri's SpeakUp Mechanism – Strengthened Internal Mechanism for Addressing Human Rights Concerns

Himadri's SpeakUp mechanism is designed to prioritize the highest standards of ethical conduct, workplace safety, and human rights compliance. It ensures that any individual associated with the organization—be it employees, or any stakeholders—can safely report grievances or violations, particularly those impacting dignity, fairness, and wellbeing related to the Human Rights issues.

The mechansim reflects Himadri's commitment to international standards, including:

- The Universal Declaration of Human Rights
- The UN Guiding Principles on Business and Human Rights
- ILO conventions on workplace safety and non-discrimination

Human Rights issues that may be reported - Himadri SpeakUp supports reporting of any activity that could directly or indirectly violate individual or collective rights. These include:

1. Unethical Behavior: Harassment, discrimination, bullying, or exploitation
2. Fraud and Misconduct: Including corruption or misuse of power affecting vulnerable workers

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3. Workplace Safety Risks: Unsafe conditions, lack of protective measures, or forced labor
4. Gross Negligence: Actions that endanger physical, mental, or emotional health etc

Anonymity and confidentiality are strictly maintained to protect whistleblowers and promote a culture of trust. Mechanism and Workflow is depicted as follows -

Grievance Identification - Every report is reviewed to determine:

- Type of issue (e.g., harassment, safety, discrimination)
- Severity and frequency
- Potential impact on individuals and the organization

Committee Formation

- A dedicated investigation committee is formed including internal stakeholders.
- Where necessary, external experts (legal, compliance, or human rights specialists) are inducted.

Thorough Investigation

- Detailed fact-finding with evidence collection, interviews, and document review.
- The process ensures impartiality and non-retaliation.

Decision Making

- After analyzing all facts, a conclusion is drawn.
- If the concern is valid, corrective and preventive actions are taken.
- If unsubstantiated, the rationale is documented and communicated respectfully.

Resolution and Remedy

- Remedies are implemented in consultation with senior management.

May include:

- Disciplinary action
- Policy revisions
- Victim support
- Workplace safety improvements
- Awareness and training sessions

Documentation and Reporting

- All cases are documented and tracked.
- Trends are analyzed to strengthen systems and prevent recurrence.

Impact and Assurance

- Reinforces a safe, inclusive, and rights-respecting workplace
- Encourages speak-up culture without fear of retaliation
- Fulfills regulatory, ethical, and social responsibility commitments

6. Number of Complaints on the following made by employees and workers:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

Safeguarding the dignity, rights, and well-being of every employee and worker is a core organizational priority. The Company has adopted a series of proactive measures and best practices to create a safe, inclusive, and equitable workplace, in full alignment with national regulations and international human rights standards.

1. Prevention of Sexual Harassment (POSH)

Himadri has a zero-tolerance approach toward sexual harassment. The Company has instituted a dedicated POSH Committee, in accordance with the Sexual Harassment of Women at Workplace (Prevention,

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Prohibition and Redressal) Act, 2013. Awareness sessions, mandatory trainings, and clearly defined reporting mechanisms ensure that all employees are aware of their rights and how to seek support confidentially.

2. Anti-Discrimination and Equal Opportunity

The Company strictly prohibits any form of discrimination based on gender, caste, religion, disability, or ethnicity. Equal opportunity is embedded in our recruitment, training, promotion, and wage practices. Regular sensitization programs are conducted to promote mutual respect and inclusivity across all levels.

3. No Child Labour or Forced Labour

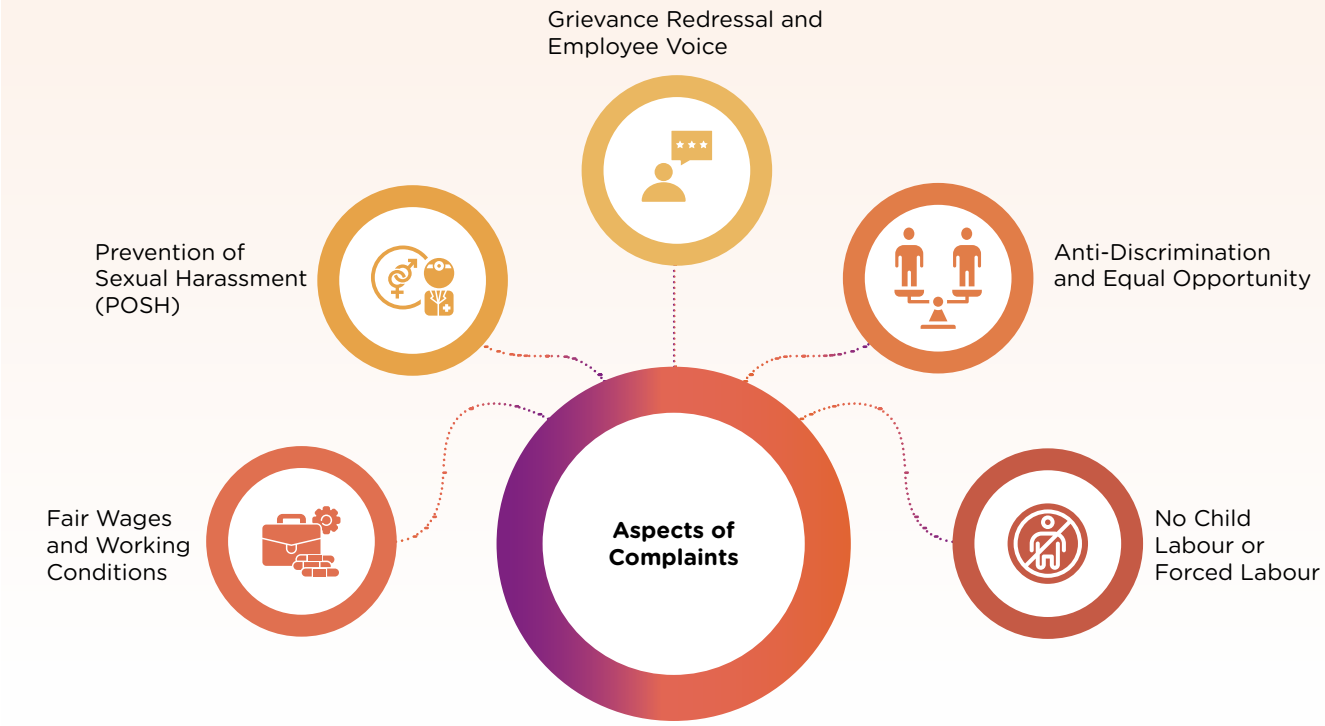
Himadri firmly adheres to the abolition of child and forced labour, in line with the International Labour Organization (ILO) conventions and Indian labour laws. All employment processes are rigorously monitored, and third-party audits are periodically conducted to ensure compliance across supply chains.

4. Fair Wages and Working Conditions

The Company ensures payment of fair and legal wages, timely disbursement of salaries, and full compliance with applicable wage codes and statutory benefits. Workers are provided with adequate facilities, rest periods, and occupational safety measures as part of a comprehensive employee welfare program.

5. Grievance Redressal and Employee Voice

Himadri has established robust grievance mechanisms—including a Whistle Blower Policy and internal committees—to enable all employees and contract workers to report issues without fear of retaliation. Grievances related to ethical conduct, workplace safety, discrimination, or harassment are handled with urgency and transparency.



7. Complaints filed under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following formats:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total complaints reported under sexual harassment on of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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Himadri actively fosters a workplace culture where diversity is embraced, and inclusivity is woven into everyday operations. Employees are encouraged to engage in meaningful dialogue that promotes empathy, understanding, and mutual respect—strengthening the social fabric of the organization.

In line with its commitment to human rights and ethical conduct, Himadri has established a strong Prevention of Sexual Harassment (POSH) Policy. The policy enforces a zero-tolerance approach to harassment and is aligned with national legal frameworks. It aims to create a safe, respectful, and inclusive work environment for all employees.

To ensure robust implementation, an Internal Complaints Committee (ICC) is in place, functioning with complete confidentiality and impartiality. The ICC not only addresses reported incidents but also conducts awareness sessions and regular training to help employees identify and prevent harassment. These efforts are integral to building a workplace rooted in accountability, dignity, and psychological safety.

Himadri's proactive stance on POSH and inclusive culture reflects its broader commitment to employee well-being, social equity, and sustainable corporate responsibility.

Management systems	Mahistikry	Liluah (I&II)	Korba	Sambalpur	Vizag	Falta	Corporate Office
Representation in ICC	✓	✓	✓	✓	✓	✓	✓
Training on POSH	✓	✓	✓	✓	✓	✓	✓

Policy and Legislation

- Child Labour (Prohibition and Regulation) Amendment Rules 2017
- Right to Education Act of 2009
- National Child Labour Policy
- National Plan of Action for Children 2005

Schemes of Ministry of Women and Child Development

- Integrated Child Protection Scheme
- Balka Samidha Yojana
- Rashtriya Swasthya Bima Yojana
- National Family Benefit Scheme

Schemes of Department of Education

- Sarva Shiksha Abhiyan
- Mid-Day meal Scheme

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Grievance Redressal Policy clearly outlines that all members involved as a part of the enquiry are entrusted to keep record in a confidential manner. Any employee questioned in respect of the enquiry is bound by confidentiality and is required to keep all paperwork and information exchanged in the process confidential and such practices are followed also while handling and assessing complaints which form a part of the grievance redressal mechanism.

All genuine complaints, in good faith, can be made without fear of reprisals, punishment, intimidation, coercive action, dismissal, or victimization. All actual violations are dealt seriously on the principles of natural

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justice, confidentiality, sensitivity, nonretaliation, and fairness while addressing the concern.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Himadri integrates human rights requirements into its Supplier Code of Conduct, ensuring that all suppliers respect and uphold internationally recognized human rights standards. The Company strictly prohibits any form of forced, child, or compulsory labour, and expects its suppliers to demonstrate full compliance across their operations.

To participate in Himadri's value chain, suppliers must adhere to the Supplier Code of Conduct, which is aligned with key global frameworks including the United Nations Declaration on Human Rights (UDHR), ILO's Declaration on Fundamental Principles and Rights at Work, IFC Performance Standards, and the UN Guiding Principles on Business and Human Rights (UNGPs).

As part of its Sustainable Supply Chain Framework, Himadri also mandates supplier audits, where buyers evaluate vendors on critical sustainability criteria, including but not Limited to human rights and labour rights. This ensures proactive due diligence and fosters accountability throughout the supply network.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

At Himadri, we take pride in our robust and proactive due diligence framework, which reflects our unwavering commitment to upholding human rights and ethical business practices across our operations. Our comprehensive approach begins with an initial risk assessment, followed by detailed self-assessments and external verifications by globally recognized certification bodies such as TÜV SÜD South Asia Pvt Ltd. and other esteemed institutions.

We maintain continuous monitoring of all our sites, ensuring alignment with our human rights policies and principles. Any areas of concern are addressed through well-defined risk mitigation strategies, and we actively engage with our partners to ensure they share our vision for sustainable and responsible business practices.

Our commitment to integrity is backed by clear accountability—prompt and appropriate action is taken by relevant authorities within the Company whenever any deviation from our standards is identified. Through this diligent process, we foster a culture of transparency, accountability, and shared responsibility, reinforcing Himadri's position as a responsible and future-focused organization.

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No significant risk or concerns were identified in our operations.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

At Himadri, none of the business processes require any modification or introduction of any new process to address human rights grievances/complaints.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

Assessment Coverage

- **Operational Sites Assessed:**
  - Manufacturing units: Mahistikry, Korba, Sambalpur, Vizag, Falta, Liluah (1 & 2)
  - Registered Office: Kolkata
- **Stakeholder Groups Involved:**
  - Permanent and contracted employees
  - Workers' committees
  - Community members near operational sites
  - First-tier suppliers and contractors
- **Key Impact Areas Evaluated:**
  - Employment practices: Wages, working hours, paid leave, job security
  - Community impact: CSR initiatives, environmental externalities, economic effects
  - Supply chain partners: Supplier code compliance, audits on labour rights
  - Vulnerable groups: Women, minorities, disabled, migrant workers, religious and gender-diverse employees

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Topics and Human Rights Areas Covered

Thematic Area	Issues Covered
Labour Rights	Forced labour, child labour, fair wages, overtime practices, equal opportunity
Non-Discrimination	Gender, minority, disability, indigenous rights, sexual orientation
Health & Safety	Workplace safety, PPE, on-site medical support, risk assessments
Freedom of Association	Workers' committees, collective bargaining practices
Community Engagement	CSR impact, relocation, local employment and disruption
Grievance Mechanisms	Accessibility, awareness, non-retaliation assurance
Working Conditions	Working hours, paid holidays, maternity leave, remote work policies
Supplier Audits	Human rights compliance in procurement, training and audit rollout

Governance and Oversight

- HRDD is overseen by the Sustainability Committee at Board level
- The ESG Council supports capacity building, supplier engagement, and audit follow-ups
- Regular reviews and updates to policies ensure continuous improvement

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Our establishments are accessible to differently abled persons while we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

As a socially responsible organization, Himadri recognizes the inclusion of differently-abled individual in its workforce. As a chemical manufacturing industry involving heavy engineering operations, there has been an internal mapping of job categories suitable for specially-abled personnel and accordingly they are appointed.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of buisness done with such partners) that were assessed
Sexual Harassment	100 (service-related value chain partners)
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Others – Anti-bribery	

Himadri prioritizes to evaluate the value chain partners including suppliers, distributors, contractor and service providers to ensure that they align with our ESG goals and sustainability principles.

Himadri has recently embarked on a comprehensive downstream value chain sustainability assessment.

Training programmes on all pillars not only enhance the performance of our suppliers but also ensure that they are aligned with Himadri's long-term sustainability objectives.

Sustainable supply chain framework: Outlines a set of carefully designed Key Performance Indicators (KPIs). Through these KPIs, we evaluate suppliers on multiple dimensions such as their environmental impact, human rights policies, ethical practices, and overall alignment with sustainable development goals. This structured assessment enables us to identify potential risks, encourage best practices, and support continuous improvement across our supply chain.

Supplier code of conduct: Our supplier code of conduct establishes the foundation for responsible sourcing by requiring all suppliers to commit to a mandatory self-declaration.

Self-assessment surveys: Each supplier is required to complete a detailed self-assessment survey that covers ESG, quality, delivery, and pricing aspects.

Suppliers that are noncompliant with labor laws or exhibit poor labor practices, such as inadequate wages, lack of workers' rights, or unsafe working conditions, are addressed through a focused labor management plan. Himadri ensures that corrective measures are in place to improve working conditions and uphold human rights.

Though we have engaged our upstream value chain partners – supplier, raw material consumables and service vendors, moving forward we have an action plan to engage our downstream value chain partners – customers and business partners as well.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant risk or concerns were identified.

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Principle 6

Businesses should respect and make efforts to protect and restore the environment

SDGs Impacted



Business should focus on the efforts towards safeguarding and promoting the interests of its stakeholders, particularly the communities and the environment. This demonstrates company's considerations on the impact of their activities on the environment and society. This segment highlights key functional areas of Resource Use and Conservation, Waste Management and Emissions & Environmental Compliance, emphasizing environmental and social responsibility in their practices.

Himadri is committed to meeting and exceeding regulatory standards for environmental protection, and we continuously monitor our operations to ensure compliance. Through multiple efforts, we aim to create long-term value for all stakeholders and contribute to a more sustainable future.

17.42%
reduction in energy intensity from baseline FY21-22

36.08%
reduction in emission intensity from baseline FY21-22

26.19%
reduction in water consumption intensity from baseline FY21-22

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity:**

Energy consumption is a key pillar as it demonstrates a company's holistic activities on day to day basis for business operations, contributing to emissions. Energy matrix forms a pivotal competency in the sustainability KPI of an organization. Energy disclosures incorporate a responsibility towards environmental protection and facilitates customer as well as investors, reliance on the sustainability objectives.

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources (GJ)			
Total electricity consumption (A)	GJ	Nil	Nil
Total fuel consumption (B)	GJ	Nil	Nil
Energy consumption through other sources (C)	GJ	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	GJ	Nil	Nil

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Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From non-renewable sources			
Total electricity consumption (D)	GJ	3,64,597.60	3,40,676.17
Total fuel consumption (E)	GJ	65,465.22	52,542.23
Energy consumption through other sources (F)	GJ	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	GJ	**4,30,062.82**	**3,93,218.41**
Total energy consumed (A+B+C+D+E+F)	GJ	**4,30,062.82**	**3,93,218.41**
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operation)	GJ/Million ₹	9.36	9.40
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/ Million USD	193.33	194.12
Energy intensity in terms of physical output (Total energy consumption/quantity of goods sold)	GJ/MT	0.765	0.812

Conversion factor for purchasing power parity for India was considered 20.66

Our energy management and GHG emission policy are in place to drive our initiatives for attaining our sustainable goals. Himadri continues to optimize energy use through the implementation of ISO 50001:2018 standards and advanced monitoring technologies. Initiatives like capturing and reusing system, transforming to fuel diversification, optimizing process and operation all these contribute to keep energy consumption in check.

We are tirelessly endeavoring through our efforts to optimize energy consumption reducing associated environmental footprint. Therefore, ISO 50001:2018 energy management system is applied in all of our plant locations. As a result, BU level "Energy Optimization Task Force" has been formed to drive our initiatives efficiently. Focused on energy-saving opportunities and implementing cutting-edge technologies, this task force ensures that the Company minimizes energy consumption while maintaining operational excellence.

Himadri is dedicated to promote sustainable practices, committed to a Net-zero vision aligned with India's Net-zero goal, validated by the Science Based Targets initiative (SBTi) for 2050. Our efforts align with the principles of UNGC; and SDG 13 (Climate Action). Participation in the Taskforce on Climate-related Financial Disclosures (TCFD) and Carbon Disclosure Project (CDP) highlights its commitment to manage climate related risks and explore environmental stewardship opportunities.

At Himadri we consider energy management as a mainstream responsibility and all stakeholders are accountable for managing and monitoring energy consumptions. Himadri embarked on the implementation of a digital energy management system at the Carbon Black Division in Mahistikry.

The Company installed the SmartComm software by L&T Electrical and Automation directed to manage energy consumption. At the Carbon Black division, 140 smart meters were installed in the generating unit and process distribution sections / subsections. These meters monitor auxiliary power consumption trends and an easy analysis of specific energy consumption across processes. This energy consumption data consists of attributes towards chemical plants' production as well as auxiliary fuel consumption such as DG sets etc.

Our captive power plant uses generated waste gas from Carbon black manufacturing process to make and meet the in house energy necessity. This data is verified through energy audits. Energy consumption and efficiency metrics are reviewed to ensure progress in reducing overall environmental impact through energy management initiatives.

These establish our continuous efforts of adhering to our sustainability objective to reduce energy intensity, there by minimizing impacts and serving towards our goal of emerging as environmentally driven entity.

Initiative related to energy consumption reduction:

- Hot air line insulation improvement in RX-A & C to reduce temp. drop by 20 DegC. This benefits in the reduction of process specific energy intensity.
- The project aims to incorporate deaerated hot water into Waste Heat Recovery Boilers (WHRBs), resulting in a projected steam generation increase of approximately 20-30%,

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equivalent to about 24 TPD at a pressure of 20 kg. The full integration of this system is expected to further optimize boiler efficiency, ensure greater reliability, and enhance energy recovery capabilities, significantly contributing to overall plant sustainability and performance goals.

- Hot air line duct is activated which connects the line #3 secondary APH to the Boiler #3 combustor. The secondary APH captures residual heat from dirty gas streams, raising the air temperature to 350°C. By redirecting this hot air to the boiler, the energy required to heat the combustion air is reduced. Ambient air (~25°C) requires more power from the FD fan to achieve combustion temperatures. Using preheated air reduces the temperature gradient, leading to lower fan energy requirements and also subsequently reducing the fuel consumption in the combustor.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, Himadri has carried out an independent assessment of energy consumption by Nu Energy India for Coal Tar Division in current reporting year. We have also carried out assurance by TUV SUD South Asia Pvt Ltd.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

We are a net exporter of electricity. Since the Government of India does not identify our industry sector under the PAT scheme, we never have the chance to apply for the said scheme. However, we are positively looking forward to the inclusion of our sector under PAT scheme.

3. **Details of the following disclosures related to water:**

Himadri is committed to sustainable water management, adopting advanced technologies and practices to reduce freshwater consumption, recycle wastewater and mitigate environmental impact. Himadri utilises the WRI Aqueduct tool to analyse physical risks such as water stress, flooding and water quality. The Company conducts water risk assessments based on water basins and site-specific water use.

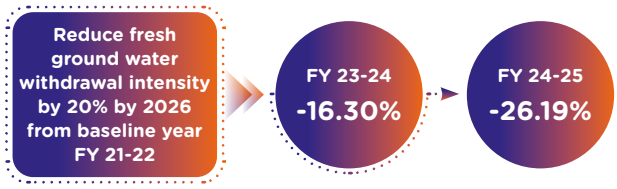
Parameter		Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source				
(i)	Surface Water	KL	313	Nil
(ii)	Ground Water	KL	10,46,506.12	10,19,020.00
(iii)	Third party water	KL	28	400
(iv)	Seawater/ desalinated water	KL	Nil	Nil
(v)	Others	KL	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)		KL	**10,46,847.12**	**10,19,420.00**
Total volume of water consumption		KL	**10,46,847.12**	**10,19,420.00**
Water intensity per rupee of turnover (Water consumed/ revenue from operations)		KL/Million ₹	22.78	24.36
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumed / Revenue from operations adjusted for PPP)		KL/Million USD	470.60	503.27
Water intensity in terms of physical output (Total water consumption/quantity of goods sold)		KL/MT	1.86	2.11

Conversion factor for purchasing power parity for India was considered 20.66

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Himadri employs a multifaceted approach to reduce water withdrawals, integrating Rainwater Harvesting, Steam Condensation, Water Recovery through Water Recovery Plants (WRP), and Zero Liquid Discharge (ZLD) capacity expansion. We are committed in reducing daily water consumption by 20% within 2026. Our Water Efficiency and Preservation Policy upholds our integrity towards delivering to a sustainable world. The pursuit of water positivity through a zero liquid discharge (ZLD) process helps moderate environment impact and enhance water resource sustainability. Our initiatives align with UNSDG 6 (Clean water and sanitation).



In the fiscal year 2024-25,we achieved a significant reduction in our average daily water consumption which is a daily savings of 462KL

To accomplish this, we implemented several key initiatives:

- Arresting Steam Leakages: We focused on arresting steam leakages in the Captive Power Plant (CPP) and Central Boiler Division areas. This helped in reducing water loss and improving overall efficiency.
- Condenser Recovery System: We installed a condenser recovery system in the CPP, which allowed us to recover and reuse water that would otherwise be lost.
- Heat Exchanger in Blowdown Line: By integrating a heat exchanger in the blow down line of the CPP, we were able to recover heat and reduce water consumption for other processes.
- Minimizing Intermittent Blowdown (IBD) and Continuous Blowdown (CBD): We minimized the IBD (procedure to remove suspended solids, including any sludge formed in the boiler water) and CBD (continuous removal of a small amount of water from the boiler, typically from the surface, to control the concentration of Total Dissolved Solids (TDS) and maintain boiler water quality processes in the CPP as per water quality analysis, further reducing water wastage.
- Water Recovery System: We implemented a comprehensive water recovery system (New Water Recovery Plant) to reclaim and reuse water within our operations.
- Fill Pack Replacement: We replaced the fill pack in our cooling towers, which improved the efficiency of our cooling processes and reduced water usage.



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Himadri has introduced a double-stage cooling system with a Steam Generator and Heat Exchanger, replacing the previous single stage cooling system with a condenser. This transition has significantly reduced evaporation loss from the cooling tower, resulting in substantial water savings upto approx 8KLD. This initiative reinforces Himadri's commitment to sustainable water management and operational efficiency, reflecting a proactive approach to environmental responsibility.

These initiatives collectively contributed to our daily water savings of 470 KL, demonstrating our commitment to sustainable water management and operational efficiency.

In our journey to achieve over all sustainability aspirations, we constantly thrive to conserve water resource. In line with our sustainability agendas we have installed rain water harvesting systems in our manufacturing locations. We are enhancing rain water harvesting capacity to reuse rain water with every passing year. Rainwater Harvesting (RH) captures and stores rainwater for multiple uses, reducing dependency on external water sources (ground- & third party water). Through our installed capacity, we are able to decrease third party water consumption significantly than last year. In one of our manufacturing plant in Korba, we have already implemented rain water harvesting system. Details of the project are as follows:

Sl No	LOCATION	COLLECTION AREA DIMENSION	AREA (sqmtr)
1.	Roof area of ADM building	1 5.400 mtr * 18.800 Mtr	289.52 sqmtr
2	Roof area of store & process office	20 mtr * 13 Mtr	260 sqmtr
3	Roof area of New weighbridge	3 mtr * 3 mtr	9 sqmtr

Through this project, we collected and reused nearly 7,57,018 liter of rain water last year and percolated nearly 31,500 liter of water. currently, we are in process to implement rain water harvesting at every operational sites after assessing the feasibility of the project.

Additionally, we regularly conduct awareness campaigns for internal as well as external stakeholders to save water.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, we have employed an independent third party to assess our overall water withdrawal and consumption. This particular assessment was carried out by TUV SUD South Asia Pvt Ltd. during the current reporting year. The audit report gave Himadri an overall view of the whole process from water withdrawal to distribution and also about the water recycling and ZLD process Himadri, has started working on all the findings and recommendation resulting into significant improvement in water management.

4. Details related to water discharge:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment			
(i) To Surface Water			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(ii) To Groundwater			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(iii) To Seawater			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(iv) Sent to third-parties			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
(v) Other			
- No treatment	KL	Nil	Nil
- With treatment- please specify level of treatment	KL	Nil	Nil
Total Water Discharged	KL	Nil	Nil

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Water discharged from industrial activities can significantly disrupt local eco-systems, harming aquatic life and affecting the livelihoods of surrounding communities due to contamination. At Himadri, we recognize this critical challenge and have taken proactive, responsible steps to safeguard our environment.

We have successfully implemented Zero Liquid Discharge (ZLD) across all our facilities, reinforcing our strong commitment to water conservation and ecosystem protection. This initiative ensures that no untreated or contaminated water is released into the environment, thereby eliminating the risk of polluting nearby water bodies.

Aligned with our Water Efficiency and Preservation Policy, this approach is a key pillar of our sustainability strategy. To drive this initiative further, Himadri has established a dedicated Zero Liquid Discharge Task Force at the Business Unit level. This task force leads the way in implementing innovative water recycling and reuse techniques, contributing to both resource efficiency and environmental stewardship.

Through the adoption of advanced water treatment technologies and robust monitoring systems, Himadri continues to reduce water consumption while protecting natural ecosystems—demonstrating our unwavering commitment to sustainable and responsible operations.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, we have employed an independent third party to assess our overall water discharge. This particular assurance was carried out by TUV SUD South Asia Pvt Ltd. during the current reporting year. Himadri is working on the findings and recommendations as per the audit report.

5. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation

Yes, to support our wastewater recycling and Zero Liquid Discharge (ZLD) system, Himadri has established an advanced Water Recovery Plant (WRP)—the final recovery stage of our Effluent Treatment Plant (ETP). This innovative system is designed to maximize water reuse, minimize waste, and significantly reduce our reliance on freshwater resources.

The WRP receives treated wastewater from various sources, including the ETP, DM plant backwash, RO plant reject water, and cooling tower blowdown. These are collected in the WRP feed tank and then directed to a clarifier, where a carefully dosed combination of dolomite, polyelectrolyte, sodium hypochlorite, caustic, and coagulant helps settle Total Suspended Solids. The clarified, TSS-free water is then stored in a dedicated tank.

From here, the water undergoes several advanced filtration processes:

- It is first passed through a Mixed Gravel Filter (MGF) with Hydrochloric Acid HCL dosing to eliminate any residual suspended solids.
- Next, it enters an Ultrafiltration (UF) unit, which separates permeate and reject water into respective tanks.
- The permeate water is then treated through a two-stage Reverse Osmosis (RO) system—first stage with five membranes, second stage with two—after pre-treatment using a carbon filter and dosing with HCL, sodium metabisulphite, and anti-scalant.
- Before reaching the final permeate tank, the water passes through a De-Gasifier unit to remove excess carbon dioxide, ensuring stable pH levels.

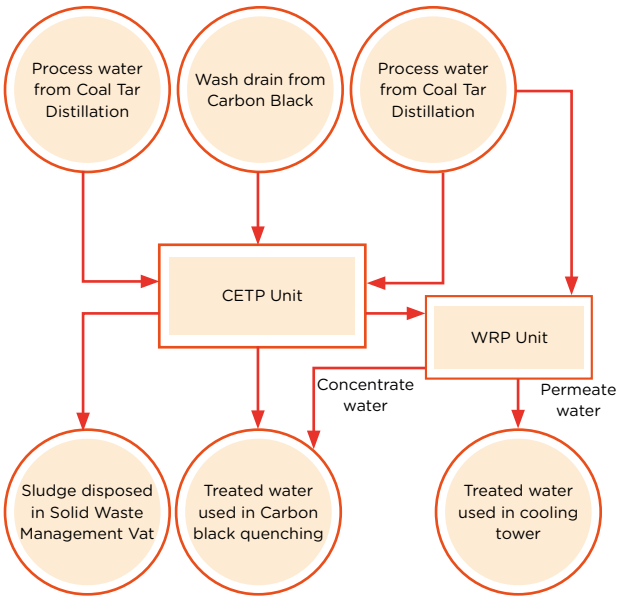


Fig: ZLD process

The final permeate water, with a daily recovery of 1200 KL, is effectively reused for cooling tower makeup, process requirements, and RO plant feed. Meanwhile, the final concentrate water amounting to 50 KL per day, is sustainably utilized in various places of our manufacturing unit. This integrated system showcases Himadri's commitment to responsible water management by significantly reducing groundwater consumption and reinforcing our vision for sustainable industrial operations.

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Treated water:

Treated water	Unit	Quantity
Primary treated water (Via ETP)	KL	1,83,765.5
Secondary treated water (Via WRP)	KL	4,38,000

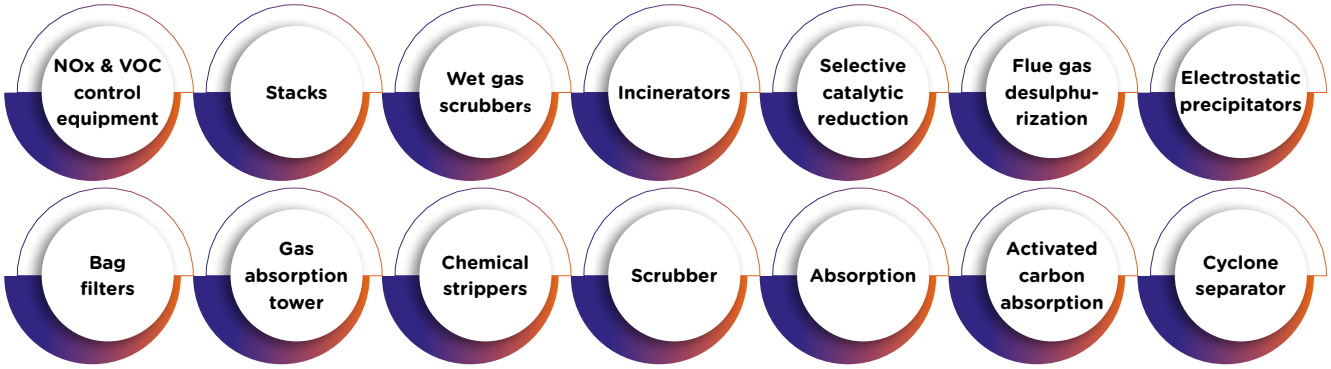
Our manufacturing sites present a significant opportunity for enhanced water efficiency. In response, during the reporting year Himadri has started expanding its Zero Liquid Discharge (ZLD) capacity from 450KLD to 1250 KLD ensuring wastewater is treated and reused efficiently, minimizing water withdrawal from external sources. This initiative aligns with our broader water conservation strategy and reinforces our commitment to sustainability. By enhancing ZLD capacity and implementing advanced water recycling systems, we have reduced water usage and operational costs, contributing to resource efficiency. This proactive approach positions Himadri as a leader in sustainable water management, ensuring compliance with regulatory standards while mitigating future water scarcity risks. This strategy not only drives cost savings but also enhances operational resilience against water-related challenges.

6. Details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	mg/m3	21.63	25.20
SOx	mg/m3	19.74	22.59
Particulate matter (PM)	mg/m3	30.53	52.27
Persistent organic pollutants (POP)	mg/m3	Nil	Nil
Volatile organic compounds (VOC)	mg/m3	Nil	Nil
Hazardous air pollutants (HAP)	mg/m3	Nil	Nil
Others- please specify	mg/m3	Nil	Nil

Alongside emissions of greenhouse gases, energy generation and industrial production result in further emissions into the air. We want to reduce these further and therefore take the emissions situation into strategy development. Our clean air measures include returning exhaust gases to the production process, thermal processing of residual gases with a high calorific value, the use of electric filters to remove particulates, the use of catalysts to reduce nitrogen oxide, and desulfurization by washing with subsequent precipitation.

Air Pollution Control Equipment



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Our company diligently plans to check, monitor and make significant initiatives to reduce the emission. Our Air Quality & Emission Control Policy are in place to execute the ESG related guidelines. Himadri have implemented a new innovative solution to reduce Particulate Matter (PM) 2.5 and 10 with PURE SKIES 2.0. This was a successful initiative that reduced the levels of PM from the last year as shown in the above data set. Our company diligently strategizes to check, monitor and make significant initiatives to reduce the emission. Our Air Quality & Emission Control Policy are in place to execute the ESG related guidelines.

- The Vehicle Management Standard (Framework) implemented by Himadri plays a vital role in reducing air pollution. By ensuring that all vehicles within the plant premises are roadworthy and fully compliant with local regulations, particularly those governing the transport of hazardous materials, the Framework minimizes the emission of harmful pollutants. Regular pre-operation safety checks, combined with a robust preventative maintenance system, ensure that vehicles operate efficiently, resulting in lower pollutant emissions. The Framework also mandates strict adherence to speed limits and prohibits the use of mobile phones while driving, reducing the risk of accidents and unnecessary idling, both of which can contribute to air pollution. By maintaining vehicles in optimal condition and enforcing stringent operational protocols, Himadri significantly reduces pollutant emissions, supporting cleaner air and demonstrating its commitment to sustainability and environmental stewardship.
- The Hot Material Vapour Scrubbing Unit is designed to remove certain components from gases or vapours by washing them with a liquid absorbent called wash oil. The liquid, enriched with absorbed constituents, is then replaced with fresh liquid. The scrubber unit uses a packed tower where the gas enters from the bottom and the scrubbing liquid enters from the top, leading to absorption and condensation of vapors. To maintain the liquid temperature, a cooling coil with circulating water is employed. The unit follows a daily checklist, monitoring the level and temperature of the scrubbing liquid. If the temperature exceeds the limit, the water inlet valve is adjusted. Additionally, the cloud point of the liquid is tested, and if it goes beyond the specified temperature, the liquid is replaced. The optimal level range of the scrubbing liquid is 40% to 60%, with a temperature range of 45°C to 55°C and a cloud point of 35°C. To control vapour emissions from light oil tanks, a nitrogen blanketing system is installed, reducing air pollution. The nitrogen pressure is regulated to maintain controlled pressure inside the tank. If the pressure increases, the tank vent actuator releases the excess pressure to the atmosphere. On the other hand, if the pressure decreases, the nitrogen actuator opens to introduce nitrogen and maintain the set tank pressure.
- The presence of nitrogen in the tank reduces air pollution by exhausting nitrogen first during vapour release, leading to the condensation of light oil vapour into liquid inside the tank. The NOx Abatement Process at Himadri aims to reduce NOx emissions from the cellulose nitration reactors at the site. The process consists of two main components: a scrubber/absorber tower and a reaction vessel with a catalyst bed. The scrubber/absorber tower comes in contact with NOx-laden fumes with water, producing nitric acid through absorption. Moreover, we regularly monitor POP across all our plants.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Himadri undertakes thorough and regular evaluations of major air pollutants to ensure adherence to environmental standards and to protect public health. Third-party experts are engaged to perform independent assessments, enhancing the credibility and transparency of the monitoring process. Periodic quarterly audits are conducted to verify our performance regarding air pollutants such as NOx, SOx, and Particulate Matter (2.5 & 10) etc. These quarterly audit results are submitted to the regulators by the appointed third party. The audit also verifies the compliancy of our operations as set by the regulators such as Central Pollution Control Board of India. The periodic analysis of air pollutants not only helps in maintaining compliance but also supports Himadri's commitment to environmental stewardship. We have also carried out assurance by TUV SUD South Asia Pvt Ltd. for current reporting year.

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7. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

In the context of sustainability, organizations are increasingly driven to proactively reveal their environmental impacts due to operations. Any business activity emits some measurable amount of air pollutants that impact the surrounding environment. This provides information on specific types of emission coming directly from day-to-day operations of plant/offices, its intensity and actions taken based on the data. This disclosure helps stakeholders to understand a company's efforts to mitigate climate change and adverse effect towards global warming.

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	tCO_2e	4,01,152.63	4,09,576.40
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	Nil	Nil
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO2e/ Million ₹	**8.73**	**9.79**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO2e/ Million USD	180.33	202.20
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total emission/quantity of goods sold)	tCO_2e/MT	0.713	0.846

Conversion factor for purchasing power parity for India was considered 20.66

Scope 2 is zero because we are net exporter of electricity.

Himadri's Together Towards Tomorrow philosophy articulates the Company's mission to 'create a sustainable planet for all, providing care and enrichment for the life of all people and the planet.' Himadri is implementing initiatives to mitigate and adapt to global warming across business strategy areas. During the reporting year, Himadri aligned with Task Force on Climate related Financial Disclosures, disclosing climate-related information to promote a dialogue with investors and other stakeholders. The Company participated in its first evaluation by the Carbon Disclosure Project.

In our inaugural submission, CDP has rated us B in both Climate Change and Water Stewardship categories. The Company's detailed Net Zero Target for 2050 is also under review for approval by the Science Based Target Initiative. Himadri recognises that climate risk assessment is an evolving science, requiring periodic updates to physical and transition risk assessments. This approach empowers Himadri to align its strategy with the latest projections and build a responsive resilience framework to address climate change impacts.

Himadri's greenhouse gas reduction task force helps minimize carbon emissions and achieve net-zero. By optimizing processes, adopting cleaner technologies and focusing on Scope 1 and Scope 2 emissions, the task force advances sustainability. Ongoing monitoring and reporting ensure compliance, promoting environment responsibility.

We are aggregating GHG data, creating inventories, and reporting Scope 1, 2 and 3 emissions outlined by the GHG Protocol Standard. We used the following methodologies for collecting activity data and calculating emissions: (1)IPCC Guidelines for National Greenhouse Gas Inventories, 2006 (2)The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) (3)The Greenhouse Gas Protocol: Scope 1, 2, and 3 Guidance (4) EcoInvent 3.9.1 Database (5)DEFRA Database (6)United States Environmental Protection Agency Database.

Himadri supports Paris Agreement on Climate Change objectives. And by integrating our actions in reducing our scope 1 emissions we move closer to our sustainability targets of minimising the scope

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1 and scope 2 emission by 30% within 2030. Our Environment Policy and Energy Efficiency Policy provides assurance in our commitment towards a sustainable, pollution-free future.

Our commitment to achieve Net Zero carbon emissions by 2050 is at the heart of our sustainability vision. Committed target is under validation process by the Science-Based Targets Initiative (SBTi), our interim targets include a 25% reduction in Scope 1 and Scope 2 emissions intensity and a 5% reduction in Scope 3 emissions by 2025.

In our production line we have two major value chain- Carbon black and Coal tar. Scope-1 emission mainly comes from the Carbon black division. In the Coal tar division, there is fractional distillation. The electricity consumption for all the machineries and equipments is in house generated and also a net exporter of electricity.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes, we have employed an independent third party to account for our GHG emission. This particular assurance was carried out by TUV SUD South Asia Pvt Ltd. during the current reporting year. Accounting is done in accordance with the methodologies detailed by the Green House Gas Protocol which is a global standard.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes, at Himadri, we fulfill 90% of our power requirements through our 28MWh capacity power plant, showcasing our dedication to environment preservation. To reduce waste gas and off-gas venting during carbon black production, we've implemented an innovative process that recirculates and feeds off-gas into power generation, significantly lowering Greenhouse Gas (GHG) emissions. Our power plant features three boilers that adequately meet the energy demands of our West Bengal unit, with surplus electricity being sold to the local grid. This Financial year we have sold about 82,954.53 MW electricity to the local grid. With our low emission factor in generation of electricity the total emission avoidance is reported at 19,909 tCO2e for FY 2024-25.

- Himadri Speciality Chemical Limited has replaced the conventional fuel oil heating system with a steam heating system in its new 480 Ton per day Coal Tar distillation project. This transition from a fuel oil heating system to a steam heating system has brought significant improvements in efficiency and effectiveness while lowering associated emission. The fuel required for dehydration has been eliminated, leading to a substantial reduction in GHG emissions. By switching to steam energy, the Company benefits from improved heating performance, potentially lower energy costs, reduced GHG emissions.

- Himadri has successfully implemented a high-performance multifunctional fuel additive across its reduction processes, targeting various fuel applications such as furnace oil, carbon black feedstock, light diesel oil and low sulfur heavy stock. This additive has led to significant improvements in fuel efficiency and carbon emission reduction, optimising production operations.

- In lieu with our net zero roadmap, Himadri's greenhouse gas reduction task force helps minimise carbon emissions and achieve net-zero. By optimizing processes, adopting cleaner technologies and focusing on Scope 1 and Scope 2 emissions, the task force advances sustainability. Ongoing monitoring and reporting ensure compliance, promoting environment responsibility.

- As Himadri has started integrating environmental impact assessments into the evaluation of each capital expenditure project, recognizing that these decisions significantly influence our long-term sustainability, particularly in terms of GHG emissions. We incorporate an internal carbon pricing for Scope 1 and Scope 2 emissions into the payback calculations for investments requiring approval by the CMD-CEO. When evaluating capital expenditures or new projects, the potential CO2 emissions (Scope 1 and Scope 2) are estimated. The internal carbon price is

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then applied to these emissions to calculate a "carbon cost," which is included in the overall cost-benefit analysis. This ensures that projects with lower carbon emissions are more financially attractive, incentivizing investments in more sustainable options. Himadri implements the shadow pricing mechanism in which we assign a monetary value to each ton of carbon dioxide. Shadow pricing mechanism is a crucial tool to ensure that the environmental implications of long-term investment decisions are fully understood. India being a fast-becoming compliance market for emission. Himadri supports Paris Agreement on Climate Change objectives. And by integrating our actions in reducing our scope 1 emissions we move closer to our sustainability targets of minimising the scope 1 and scope 2 emission by 30% within 2030. Our Environment Policy and Energy Efficiency Policy provides assurance in our commitment towards a sustainable, pollution-free future.

Setting the carbon price

* Internal price for carbon, which is a fixed amountper ton of CO2e emitted

Financial/ Investment decision

* Integration of carbon cost in return of investment calculation
* Carbon cost acts as a shadow price for investment/capex on estimated Scope 1 and 2 GHG emissions

Approval and oversight

* Internal price for carbon, which is a fixed amountper ton of CO2e emitted

Review and adjustment

* Periodic review to update price reflecting market dynamics and other factors

- Moreover, we identify that plantation drives offer a valuable opportunity to expand green spaces and promote environmental awareness. Himadri has initiated a significant plantation drive in collaboration with the forest, environment, and climate change department, aiming to enhance the green cover of the village by planting various tree species. The plantation of 6,199 native tree saplings this year is a remarkable achievement. Our plantation drive is designed to achieve enhanced biodiversity, mitigating soil erosion and improving air quality in association with local communities and external subject matter experts. The community's active involvement in this initiative is truly commendable as it contributes to creating a greener environment. These trees will not only provide shade and clean air for future generations but also enhance the overall health of our ecosystem. Additionally, we regularly organize training for internal stakeholders and awareness campaigns for the external stakeholders on climate change and its effects.

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9. Details related to waste management by the entity:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated			
Plastic waste **(A)**	MT	145.76	210.95
E-waste **(B)**	MT	1.73	0.90
Bio-medical waste **(C)**	MT	0.012	0.001
Construction and demolition waste **(D)**	MT	Nil	Nil
Battery waste **(E)**	MT	11.30	9.64
Radioactive waste **(F)**	MT	Nil	Nil
Other Hazardous waste- please specify **(G)** (ETP Sludge, Mixed waste, Cotton waste, Old insulation waste)	MT	6.03	3.91
Other Non-hazardous waste generated **(H)**. Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	MT	220.93	390.27
Process & metals **(I)**	MT	1002.16	2025.49
Total (A+B + C + D + E + F + G + H+I)	**MT**	**1387.922**	**2,641.161**
Waste intensity per rupee of turnover (total waste generated/Revenue from operation)	MT/Million ₹	0.03	0.06
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (total waste generated/ Revenue from operation adjusted for PPP)	MT/Million USD	0.624	1.304
Waste intensity in terms of physical output per MT of Goods Sold		0.0025	0.0055
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations			
Category of waste			
(i) Recycled	MT	1,381.88	2,637.25
(ii) Re-used	MT	Nil	Nil
(iii)Other recovery operations	MT	Nil	Nil
Total	MT	**1,381.88**	**2,637.25**
For each category of waste generated, total waste disposed by nature of disposal method			
Category of waste			
(iv)Incineration(Mixed waste, ETP sludge, Oil Soaked and jute, Empty bag, Bio-medical waste)	MT	2.92	2.24
(v) Landfilling (ETP Sludge, Bio-medical waste)	MT	3.12	1.67
(vi)Other disposal operations	MT	Nil	Nil
Total	MT	**6.04**	**3.91**

Conversion factor for purchasing power parity for India was considered 20.66

Our efforts coupled with comprehensive initiatives, promulgated the scenario where we achieved the reduced waste generation and intensity and directing the waste into recycling procedure, has further fortified our sustainability goals. Our Responsible Consumption Policy highlights the Zero Waste to Landfill by 2026 vision, which is aligned with the UN SDG. As an environmentally compliant organization, Himadri adheres to the statutory regulations of state and central governments which are Bio medical waste management Rules, 2012, Plastic waste management Rules, 2022, E-waste management Rules, 2022.



Himadri has adopted a comprehensive recycling and reuse approach in its laboratory operations to comply with environmental policies and government guidelines. During the production of Coal Tar Pitch from Coal Tar, various by-products, such as Naphthalene and Creosote oils, are generated. The Company focuses on recycling used

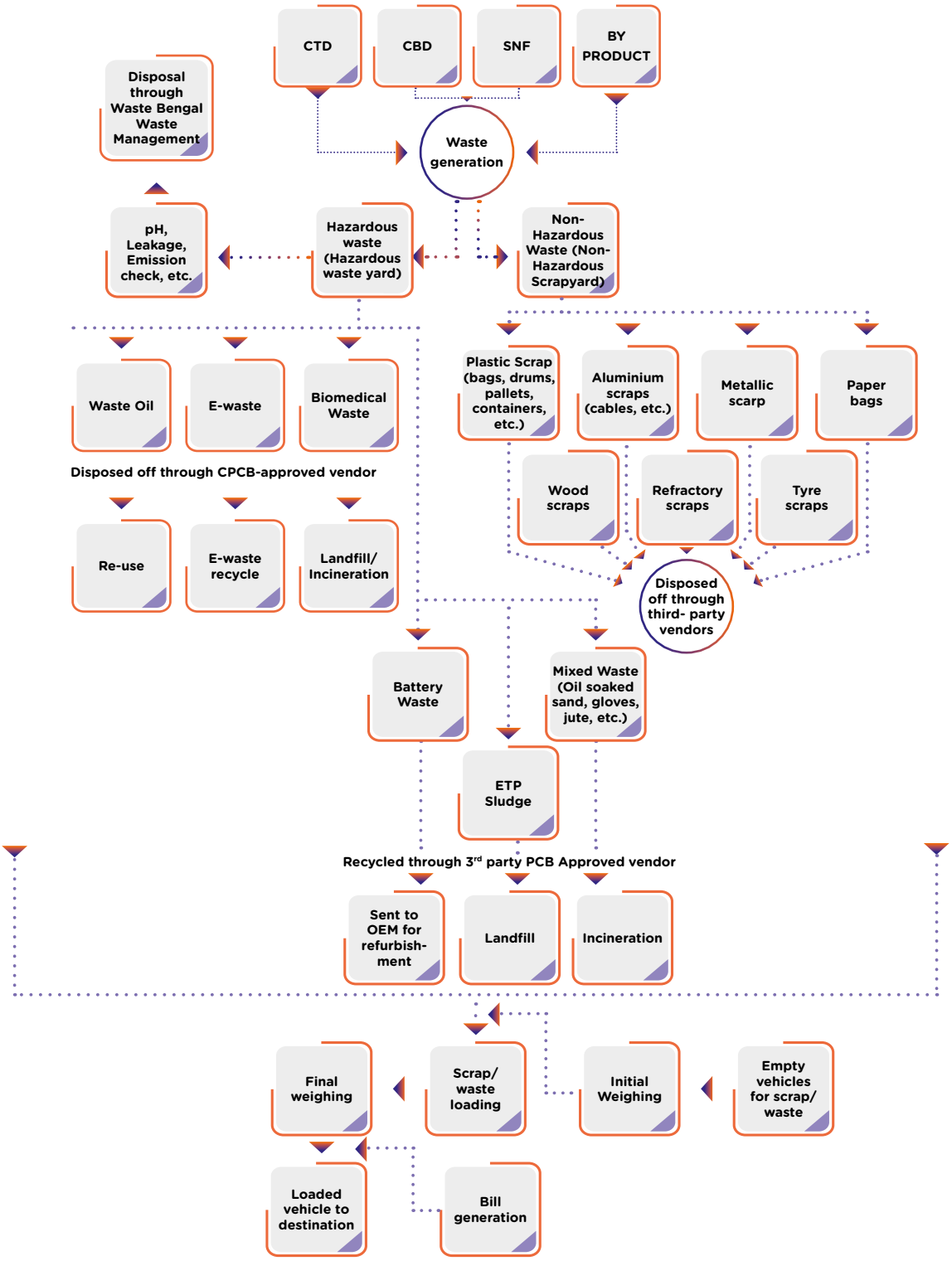
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solvents, including Quinoline and Toluene, which are extensively used in quality testing to determine the presence of insoluble matters and measure moisture content in raw materials and finished products. The impact of this recycling initiative includes significant environmental benefits, such as achieving zero discharge of chemicals into the environment, which aligns with sustainability goals and reduces chemical pollution.

Himadri has improved its waste management practices by focusing on proper segregation, storage and disposal of waste containing Persistent Organic Pollutants (POPs) to prevent release. Hazardous wastes are disposed in manners specified by concerned govt. regulations.

A flow diagram of Himadri's waste disposal procedure:



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Himadri strongly believes in circularity and avidly implement, them in its operations. Circular economy task force drives Himadri's efforts to embed circular economy principles throughout the business. By minimizing waste, promoting recycling and optimizing product lifecycles, this task force ensures that resources are used efficiently and sustainably. Through collaboration across departments and initiatives (take-back programs), the task force creates innovation and reduces environmental impact, contributing to a closed-loop system.

Himadri disposes the non-hazardous wastes (Plastic wastes, process and metal waste etc.) through PCB approved third party vendors. They recycle or reuse the wastes as per their authorization. Internal records are kept through SAP system.

Hazardous waste (ETP Sludge, Mixed waste, Cotton waste, Old insulation waste, Oil soaked jute and empty bags etc.) and also Bio-medical wastes segregated in the hazardous waste bin. These are disposed via PCB approved waste disposal third party. They dispose the waste by LAT (Landfilling after treatment) or Incineration procedure taking all the measures and maintaining proper regulations. All the records are kept as per regulation. HSE department keeps track of the whole procedure. Himadri being a responsible organization engages with these vendors as per our stakeholder engagement policy. The policy mandates audit protocols, SOP exchange, knowledge transfer, and capacity building as regular norms.

Our commitment extends to ensure all the employees are well trained in appropriate waste handling and emergency procedures.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, we have carried out third party assurance by TUV SUD South Asia Pvt Ltd. for our waste management during current reporting year.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Himadri's efforts to reduce production waste are guided by a principle: avoid waste. If avoidance is not possible, waste should be recycled or used in energy generation. If recycling or energy generation is not feasible, waste should be disposed safely. The need to establish high-level circular economies that support sustainable economic growth is increasingly critical. Given the planet's finite resources, rising lifestyle standards and growing resources demand on account of a rising global population, conventional one-way economic models will no longer be able to sustain prosperous lifestyles and cultures going ahead. To stimulate economic activity and move to a decarbonised society, it will be essential to reduce the use of fossil-based plastics while addressing a growing demand for plastics. In this context, Himadri acknowledges the growing importance of reducing plastic consumption and enhancing recycling. As a speciality chemical manufacturing Company, Himadri takes a comprehensive approach to identify risks associated with various types of waste, including production waste, packaging waste, plastics and wood pallets. The Company considers a range of plausible scenarios through consultations with internal and external stakeholders.

Process optimisation is central to Himadri. This includes in-plant reprocessing of substance streams and the application of the 3R principle (reduce, reuse, recycle) across operational sites. Where waste cannot be avoided, the focus is on mechanical or thermal reprocessing. At Himadri's sites, various types of recyclable waste — plastics, glass, paper, food waste and wood—are segregated and dispatched to external recycling firms approved by regional pollution control boards. The Company monitors these firms through audits to ensure their corresponding compliance with statutory provisions.

Himadri adheres to the recommendations of state government waste management authorities related to handling hazardous wastes like effluent sludge, oil-contaminated gloves, jute and soak sand. It employs vendors authorised by the pollution control boards. The Company reintroduced recycled products as inputs following the end-of-life phase of its products. Himadri launched a pilot project to implement a reusable packaging solution, with the potential to eliminate plastics and wood from its packaging.

Besides, the Company strives to achieve its ambitious waste management target (zero waste to landfill). Himadri leverages the benefit of integrated production sites and systems for systematic waste management. By-products from one production process are repurposed as raw materials of other products, widening the value chain. The Company sources raw materials from other sectorial by-products (coal tar and carbon black feedstock). In addition to reprocessing, waste with high calorific value (substitute fuel) is used to produce energy, reducing a reliance on primary fossil fuels and moderating Company's carbon footprint. Himadri is exploring alternatives to replace virgin materials.

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This includes initiatives to replace fossil-based plastics with alternatives like paper and metal. The Company is progressing to use plant-based plastics as an alternative to fossil-based plastics. At Himadri, all plant waste and process scraps are systematically collected and transported to the main waste yard for segregation into hazardous and non-hazardous categories. Disposal of these wastes is carried out in compliance with Pollution Control Board (PCB) regulations and through PCB approved third-party vendors under the supervision of the Health, Safety and Environment (HSE) function. Himadri maintains regular communication with third-party vendors to monitor the final disposal and ensure proper management of the waste, reaffirming its commitment to environmental responsibility.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

Sl No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	N/A	N/A	N/A

Himadri does not operate in any ecologically sensitive area. However, Himadri has established a well-maintained greenbelt as a natural barrier to mitigate noise pollution in and around its operational areas. This greenbelt, covering 33% of the facility's total area as confirmed by external audits, is designed with dense plantations of native species that act as effective sound absorbers. Beyond noise reduction, the greenbelt also contributes to improved air quality, enhanced biodiversity, and aesthetic enrichment of the environment. Himadri's commitment to sustainable practices is exemplified by this initiative, demonstrating a harmonious balance between industrial operations and environmental stewardship. We are also planning to commission a butterfly habitat in the plant to advance Himadri's commitment towards preserving and promoting bio-diversity.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N/A	N/A	N/A	N/A	N/A	N/A

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliance:

Sl No	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	N/A	N/A	N/A	N/A

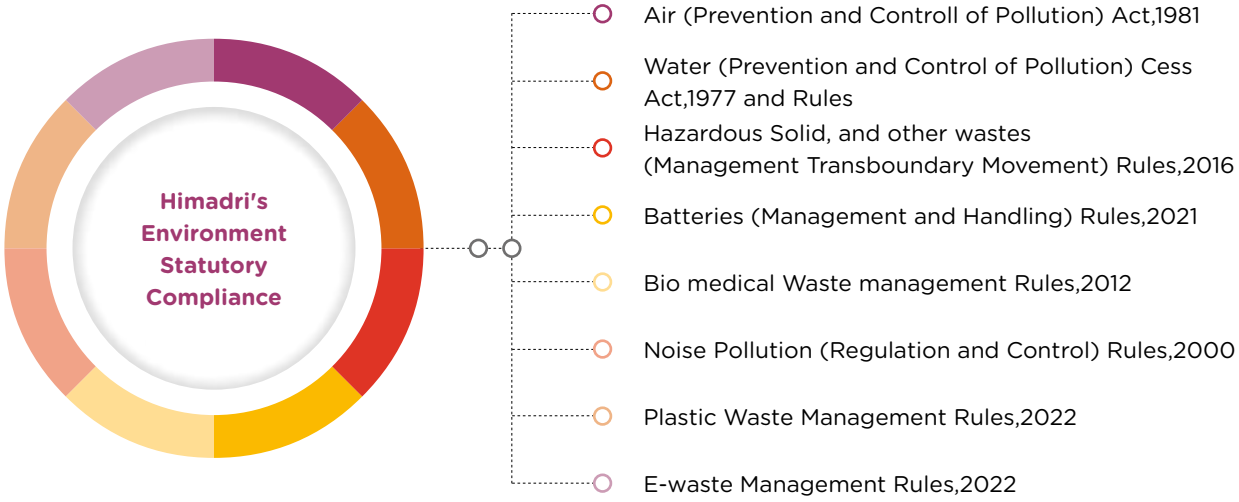
Himadri's fair and lawful practice is proven herewith and it promotes the ethical liabilities of our organization to conduct operations in a legal and sustainable manner. As a responsible organization, Himadri ensures that all regulatory criteria for operations are met and maintained. Himadri ensures full compliance with India's environmental laws, including the Environmental Protection Act, Air and Water Acts, and Hazardous Waste Rules, through strict monitoring, audits, and reporting to regulatory authorities. We adhere to pollution control norms by implementing advanced emission control systems and effluent treatment plants. Our hazardous waste management follows prescribed disposal methods, ensuring minimal environmental impact. Additionally, we focus on energy efficiency, water conservation, and circular economy initiatives, aligning with national and global sustainability frameworks.

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Himadri implemented ISO management systems to oversee the effective implementation and monitoring of policies and framework.

At Himadri, addressing climate risks is one thing; it is imperative to seize opportunities through strategic policies and actions as well. Himadri deployed policies addressing key environmental factors pertinent to the speciality chemical sector, aligning global and national goals. The Company's environmental policies and frameworks are outlined below:



Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area -NA

(ii) Nature of operations -NA

(iii) Water withdrawal, consumption and discharge:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source		
(i) Surface Water	NA	NA
(ii) Ground Water	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater/ desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	**NA**	**NA**
Total volume of water consumption (in kilolitres)	**NA**	**NA**
Water intensity per rupee of turnover (Water consumed/ revenue from operations)	NA	NA
Water discharge by destination and level of treatment		
(i) Into surface water		
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(ii) Into ground water		

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Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(iii) Into seawater		
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
(v) Other		
- No treatment	NA	NA
- With treatment- please specify the level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

The entity's footprint in water scare areas mapping the pattern of its water withdrawal,thereby impacting the aquifer water levels in the surrounding regions. Himadri continues to focus on established water management initiatives, including monitoring water stress levels across relevant sites. Himadri utilises the WRI Aqueduct tool to analyse physical risks such as water stress, flooding and water quality. The Company conducts water risk assessments based on water basins and site-specific water use. Himadri has implemented various measures across its production sites. Through a tri-canter and dehydration process, the Company recovers 3% water from coal tar for reuse in manufacturing.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

No, there is no independent third party assessment.

2. Details of total Scope 3 emissions & its intensity:

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	tCO2e	8,93,507.66	9,89,416.73
Total Scope 3 emissions per rupee of turnover	tCO2e / Million ₹	19.44	23.64
Total Scope 3 emission intensity (Total emission quantity of goods sold)	tCO2e /MT	1.59	2.04

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Himadri has strengthened its climate action framework by formally including Scope 3 emissions in its greenhouse gas (GHG) accounting and disclosure process starting FY 2023–24. Recognising that a significant portion of its total emissions lies beyond its direct operations, this strategic inclusion marks a key milestone in Himadri's journey towards comprehensive climate responsibility and alignment with global best practices.

The Company has undertaken a structured approach to Scope 3 management, beginning with detailed mapping of its value chain to identify hotspots and high-emission categories. Priority areas such as purchased goods and service, upstream transportation, and downstream transportation have been brought under focus for accurate data collection and emissions quantification.

To drive meaningful impact, Himadri has set an ambitious yet achievable Scope 3 emission intensity reduction target of 5% by 2025, compared to its 2023 baseline. This target is aligned with the Science Based Targets initiative (SBTi) and supports the broader global goal of limiting temperature rise to below 1.5°C. It also reflects Himadri's commitment to responsible growth by embedding sustainability deeper into its value chain.

Previously, industry average data were used to account Himadri's Scope-3 emission. However, with the direction of our BoD members in this current year we embarked on a journey to enhance the granularity of data for a detailed emission profile. Therefore, praxis of data collection had been modified accordingly and Himadri launched a formal value chain engagement process.

To ensure that sustainability is ingrained throughout our supply chain, Himadri employs a multi-stage process for evaluating Value Chain Partners. Each Value Chain Partner is required to complete a detailed self-assessment survey that covers ESG and other business aspects. Depending on the risk profile of each Value Chain Partner, we conduct either on-site or remote audits. These audits focus on key areas of performance, including environmental management, health and safety protocols, labor practices, and corporate governance. Then each Value Chain Partner is categorised on respective risk indexes and then corrective action plans are shared with the partners to mitigate any potential risk. As a environmentally conscious organisation Himadri takes a pro-active collaborative approach to carry out any environmental stewardship projects. One such initiative includes the planned shift from conventional diesel to biodiesel for both upstream and downstream logistics — a move that not only reduces emissions but also supports India's national biofuel mission.

By adopting this forward-looking and collaborative approach, Himadri is not only strengthening its Scope 3 inventory but also fostering innovation and shared responsibility across the value chain. These efforts underline Himadri's vision to lead by example in building a low-carbon, resilient and sustainable future for all stakeholders.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

Yes, we have employed an independent third party to account our GHG emission. This particular assessment was carried out by TUV SUD South Asia Pvt Ltd. during the current reporting year. Accounting is done in accordance of methodologies detailed by Green House Gas Protocol which is a global standard.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

N/A

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4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiative:

Sl No	Initiative undertaken	Details of the initiative (web link if any, may be provided along-with summary)	Outcome of the initiative
1	Nitrogen blanketing	This system controls pressure and minimizes vapor emissions, helping to prevent air pollution. It employs nitrogen pressure to control emissions, significantly mitigating odors by condensing light oil vapors into liquid form. By creating an inert atmosphere inside storage tanks, nitrogen blanketing minimizes the presence of oxygen, which in turn reduces the evaporation of VOCs from the liquid surface.	Presently, vent out vapor mixture is rich with nitrogen as it is more volatile than light oil vapor as a result air pollution has reduced from before. As tank is under controlled pressure so that vapor mixture emission has reduced resulting in lowering air pollution.
2	Waste Heat Recovery : APH, OPH,WHRB & Dryer APH to reduce GHG emissions	The system enhances heat recovery by capturing heat from hot smoke and utilizing it to generate hot air. This recovered heat is then effectively used in the Oil Pre-Heater (OPH)and Captive Power Plant (CPP) boiler combustor.	As a result, Himadri has achieved a total energy usage of1.20 GJ/hr in OPH and 5.45 GJ/hr in CPP. This initiative optimizes the utilization of waste heat, contributing to improved energy efficiency and promoting environmental sustainability.
3	Sludge to fuel	Himadri's initiative to implement a reduction process for internal waste, such as sludge, represents a significant step forward in sustainable waste management and resource recovery The conversion process adopted by Himadri focuses on transforming the sludge, a by-product typically produced during industrial operations, into a valuable resource. Through this innovative process, the sludge undergoes a transformation, turning it into a usable fuel.	This fuel can then be utilized in auxiliary operations, such as powering certain machine or serving as an alternative energy source for specific industrial activities. By harnessing the energy potential of sludge, Himadri is promoting a circular economy model where waste is minimized, and valuable resources are recovered and repurposed.
4	Reduction of PM2.5 & PM10 –Clean Air Mission	The technology uses pulsed radio waves (WiFi) to accelerate the natural clearance of these microscopic pollutants. This technique coagulates PM2.5 and PM10 through pulsed radio waves which presents several potential benefits for air quality improvement. By causing the particulate matter to coagulate and settle, the concentration of harmful particles in the air is reduced.	Air quality typically improves by 30-40% or more, leading to improved health and reduced risk of non-compliance with air pollution norms.
5	Application of Anthracene Oil in Carbon Black Production	In the context of a circular economy, using Anthracene oil derived from coal tar as a feedstock for carbon black production is an innovative and sustainable approach that significantly contributes to resource efficiency and environmental sustainability.	By redirecting Anthracene oil into the carbon black production process, Himadri is not only creating a valuable industrial product but also closing the loop in the life cycle of coal tar derivatives, ensuring that fewer resources go to waste.

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Sl No	Initiative undertaken	Details of the initiative (web link if any, may be provided along-with summary)	Outcome of the initiative
6	Yield Improvement in Carbon Black Production	Himadri is producing Carbon black by partial combustion of the Anthracene oil, this yield gain process also reduces the extraction of energy transformation as we are converting the higher volume of mass to the finish product, which will help to reduce energy loss and reduce GHG emission also. We have achieved the yield gain of 4% due to process excellence process.	The yield gain is a sustainable approach to reduce the raw material consumption to achieve circular economy initiatives as well as to reduce the carbon footprint.
7	Environmental Impact Reduction : 480 TPD Project –New RC-Coal Tar Division	Himadri has implemented a strategic approach to energy reduction by transitioning from a single-stage cooling system (Old RC) to an advanced double-stage cooling system (New RC). In the previous system, the total heat load was forwarded directly to the cooling tower, leading to higher energy and water consumption. With the New RC system, the total heat load is divided into two streams: one directed towards RO (Reverse Osmosis) water and the other towards the cooling tower.	This division significantly reduces the heat load on the cooling tower, resulting in lower evaporation losses—saving approximately 8 KL of water per day. Additionally, the New RC system improves energy efficiency by converting excess heat into steam, which is forwarded to the LP steam header for reuse.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Himadri has developed a robust Business Continuity and Disaster Management Plan (BCDMP), which is integrated into the Company's comprehensive Risk Management Policy. This forward-thinking plan is a testament to Himadri's unwavering commitment to operational resilience, long-term value creation, and sustainable business growth, even in the face of unforeseen disruptions. Himadri has successfully conducted the Stage 1 audit for ISO 22301:2018, the international standard for Business Continuity Management Systems (BCMS). This audit marks a significant step in Himadri's commitment to ensuring the resilience and continuity of its operations.

The BCDMP serves as a strategic blueprint to ensure uninterrupted operations during natural calamities, industrial emergencies, cyber threats, and other potential disruptions. It reflects Himadri's focus on protecting stakeholder value, enhancing corporate governance, and aligning with its long-term strategic objectives. The plan outlines procedures to maintain critical business functions, secure employee and community safety, and preserve environmental integrity—minimizing harm to people, infrastructure, biodiversity, and ecosystems.

Himadri's approach to risk management is proactive and data-driven. All financial and non-financial risks are continuously identified, assessed, and mitigated under the guidance of the Risk Management Committee, a dedicated oversight body that reports directly to the Board. This includes climate-related risks, operational disruptions, supply chain vulnerabilities, and emerging ESG concerns.

To ensure that the BCDMP remains dynamic and effective, regular simulations, risk assessments, and audits are conducted. These evaluations help identify gaps, incorporate learnings, and update response protocols in line with evolving business environments and global best practices. Employees across critical functions are also trained to respond efficiently during emergencies, reinforcing a culture of preparedness and accountability.

Through this integrated and forward-looking risk governance framework, Himadri not only safeguards its assets and people but also ensures that it continues to deliver value to customers and communities—even in times of crisis. This resilience is fundamental to Himadri's sustainable growth vision and its ability to thrive in an increasingly complex and interconnected world.

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6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   To the best of our knowledge, there is no such significant adverse impact to the environment due to our value chain. However, we have initiated assessing our value chain partners in accordance our comprehensive sustainable procurement framework.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   As an environmentally conscious organization, Himadri clearly understands the impact of its operations on climate change and environment at large. Additionally, we categorically appreciate the value created by our business partners for us. To further our environmental commitments, we have laid out a comprehensive Sustainable Procurement Policy which is based on our global ambitions and in accordance with local laws.

   A clear target was taken at the beginning of the current financial year to assess our value chain partners' environmental performance. A comprehensive assessment and followed audits are deployed to categorize our suppliers. Nearly 88.1% of suppliers on 75% of group spent have been audited during the current reporting year. Going forward, Himadri has a plan to collaborate with its suppliers to further environmental protection.

8. **How many Green Credits have been generated or procured:**

   a) By the listed entity -Nil

   b) By the top ten(in terms of value of purchases and sales, respectively) value chain partners -Nil

   Himadri is currently aligned with the Ministry of Environment, Forest and Climate Change(MoEFCC) guidelines regarding environmental sustainability and is committed to supporting green credits initiatives. while not currently trading green credits, Himadri plans to actively participate in green credit mechanisms in the future as part of its broader environmental goals.

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Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

SDGs Impacted



Businesses are expected to engage with governments in an ethical and transparent manner to redress their grievances and advocate policies that ultimately expand the public good. Himadri recognizes its role as socially responsible producer of chemical products. It collaborates with governmental agencies, leading educational institutions and businesses to collectively address environmental and societal challenges.

Himadri actively engages in public policy advocacy in a transparent and responsible manner, aligning with its commitment to ethical business conduct and sustainable development. The Company advocates for policies that support environmental stewardship, responsible industry practices, and inclusive growth. Himadri ensures that all advocacy efforts are in compliance with applicable laws and are conducted with integrity, without any conflict of interest. The Company does not support any political party or make political contributions and ensures that its interactions with government bodies and industry associations are constructive, ethical, and aimed at advancing shared sustainability goals.

No cases registered

Fair Competition Incident

13

No. of affiliations

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

Himadri affiliates with 13 trade and industry chambers/associations. Himadri actively engages with key trade and commerce associations such as the Chemicals & Petrochemicals Manufacturers' Association and the Asia Pacific Carbon Black Association to extend its sustainability advocacy beyond core operations. Through these platforms, the Company positively influences policy development, promotes sustainable industry standards, and fosters strong collaborations. This engagement not only supports public advocacy and raises awareness around sustainability issues but also facilitates the exchange of innovative practices and solutions, driving collective progress across the sector.

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b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl No	Name of the trade and industry chambers/association	Reach of trade and industry chambers/associations (State/ National)
1	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)	National
2	Bharat Chamber of Commerce	
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	
4	Confederation of Indian Industry (CII)	
5	Carbon Black Manufacturers Association(CBMA)	
6	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	
7	All India Rubber Industries Association	
8	Hooghly Chamber of Commerce & Industry	State
9	International Tar Association	International
10	Indian Chemical Council	National
11	International Sustainability and Carbon Certification	International
12	United Nations Global Compact	International
13	British Safety Council	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
There were no incidents of anti-competitive behaviour involving the Company during the reporting period (2024-25).		

Himadri's fair competition policy ensures a compliance with anti-trust laws and promotes fair trade in accordance with guideline provided by Competition Commission of India. Employees are trained to recognise and avoid practices like price fixing or monopolistic behaviour. To detect non-compliance, the Company established strong vigilance mechanism and reporting channels that employees, personnel from staffing agencies working at its premises and external stakeholders to report compliance violations. We conduct frequent legal and ethical reviews, involving internal and external legal advisors. We implemented strict internal controls to detect and prevent any potential anti-competitive behaviour. All these measures helped us to achieve zero incidents of anti-competitive behaviour consistently.

Additionally, our Grievance Redressal policy which is publicly available, establishes an anonymous complain channel for all the stakeholders. Any stakeholder can reach us via any means such as email, phone call, or any such established mechanism. Anonymity of the complainant is ensured through the highest authority level of the company. Company Secretary, Chief Sustainability Officer, and Chief Human Resource Officer are part of the committee to oversee the grievances, its effective Redressal, and overall efficacy of our established mechanism.

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Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/ Quarterly/Others – please specify)	Web Link, if available
			Nil		

Himadri focus on building and sustaining mutually beneficial relationships with government, regulators, trade unions, investors, suppliers and communities for ensuring a smooth governance and enhancing social and environmental conditions. Engagement with authorities are undertaken after taking due consideration of our as well as the larger national interest.

Our engagement in this initiative reflects our dedication to public policy advocacy by contributing to the formulation of science-aligned strategies that enable industrial de-carbonization and overall societal well-being. By sharing insights and collaborating with industry stakeholders, Himadri hopes to shape a pragmatic, science-driven framework that supports both climate targets, social benefits, and economic resilience.

Himadri recognizes the urgent need for transformative action to mitigate climate change and drive the chemical industry toward a sustainable, low-carbon future. In line with this commitment, Himadri actively participated in the public consultation led by the Science Based Targets initiative (SBTi), aimed at developing a sector-specific de-carbonization approach for the global chemical sector.

This participation aligns with our broader sustainability strategy and supports the United Nations Sustainable Development Goals (SDGs) — particularly SDG 13: Climate Action — and India's National Action Plan on Climate Change (NAPCC). It also complements our commitment to the United Nations Global Compact (UNGC) principles, reinforcing our leadership in promoting responsible business practices and environmental stewardship.

Himadri remains committed to advocating for policies that enable the chemical sector's transition to a carbon-neutral future. Through proactive engagement and collaboration with global sustainability platforms like SBTi, we aim to influence sectoral guidelines, empower innovation, and foster an enabling environment for de-carbonization — benefiting not only our business but also the communities and ecosystems we touch.

Our efforts in public policy advocacy reflect our belief that collective action and industry-wide transformation are crucial to achieving meaningful, long-term climate resilience and creating a sustainable future for all.

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Principle 8

Businesses should promote inclusive growth and equitable development

SDGs Impacted



Sustainable and successful businesses have a key role to play in fostering the equitable and inclusive growth of society. They must join forces with the government and civil society to uplift disadvantaged, vulnerable and marginalized communities.

Himadri prioritizes the holistic growth and development of both the broader ecosystem and the nation as a fundamental aspect of its growth strategy. Through collaborative efforts with government, and non-government entities, the Company spearheads a diverse range of community development initiatives. These encompass Rural Transformation, Women Empowerment, Healthcare, Education, Sports Disaster Management, and more through our CSR activities. From the inception STEM education specially for the girl child has been a focus area for us. We actively participate in government organized events to promote STEM education and extend our hands to support any government initiatives furthering STEM education at the grass root level. We consider value creation for the communities where our operations take place. Himadri's sourcing strategy is aligned with "Think Global, Act Local" philosophy. However, due to the complex nature of our raw materials, consumables are currently being sourced locally making communities financially independent and resilient.

78.17%
Direct Purchase from Indian Market on overall Spend

56.51%
Job Creation at Rural Area

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
Nil					

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Himadri's Corporate Social Responsibility (CSR) Committee plays a vital role in identifying high-impact social areas, strategically allocating resources, and continuously evaluating project effectiveness. The Committee prioritizes initiatives that advance education, healthcare, environmental sustainability, and holistic community development. While formal impact assessment studies have not yet been conducted, every project is thoughtfully designed with a focus on maximizing positive outcomes and minimizing potential risks. As a proud SA 8000:2014 certified organization, Himadri remains deeply committed to driving meaningful, sustainable change through its CSR efforts, ensuring alignment with its broader sustainability vision.

2. **Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The CSR Committee at the Board level is responsible for CSR activities, supported by the corporate CSR team. The CSR teams at the plant level deals with grievances received from stakeholders. We engage with the community on a regular basis directly or through implementing agencies. In case of any grievances, they are dealt with on a timely basis and one resolved by the CSR Team under guidance of the CSR Committee.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	2.85%	1.89%
Directly from within India	78.17%	68.34%

This reinforces our commitment recognizing the vital role of MSMEs in driving innovation and employment, Himadri actively partners with local small and medium enterprises to meet operational requirements. Our collaboration includes:

- Long-term procurement contracts to provide financial stability to MSMEs.
- Capacity-building programmes to help them meet quality and sustainability standards.
- Promoting technological upgrades through shared knowledge and best practices.

These efforts ensure that our engagement with MSMEs is not just transactional but transformational, empowering these enterprises to thrive and scale. Himadri prioritises sourcing consumables and services from local businesses and communities near our operational areas. This strategy supports regional economic development while reducing the environmental impact associated with transportation. While our sourcing strategies are aligning with MSME inclusion, our abled financial team regularly reviews the payment pattern keeping stable cash flow resulting into decreasing "accounts payable" over years.

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	56.51%	54.26%
Semi-urban	NA	NA
Urban	4.17%	3.37%
Metropolitan	39.32%	42.37%

(Location categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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Himadri's operations across diverse locations create meaningful employment opportunities for individuals from all communities, fostering inclusion and positively impacting livelihoods. By embracing a culture of diversity, equity, and inclusion (DEI), the Company ensures equal opportunities for all, with no unjustified disparities in pay across gender, race, or other characteristics. This inclusive approach not only supports regional development but also strengthens local economies beyond major urban centers. Himadri's Relocation Policy supports employees and migrant workers with travel, moving expenses, temporary housing, and compliance with visa and local regulations, enabling a smooth transition. As a proud supporter of the UN Sustainable Development Goals (UNSDGs), Himadri promotes economic independence and resilience. Beyond direct employment, the Company enhances future workforce readiness by advancing STEM education through its CSR initiatives, increasing individual employability and contributing to long-term sustainable growth.

Leadership Indicators

1. **Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Himadri's CSR initiatives are driven by a structured, impactful approach under the guidance of its CSR Committee, a dedicated Board-level body committed to delivering positive change. Our CSR initiatives are designed to address critical societal needs, from education and healthcare to environmental conservation and sustainable livelihoods. Aligned with UNGC principles, Himadri's CSR policy focuses on impactful social and environmental initiatives. It prioritises sustainable development, STEM education and community engagement.

S. No.	State	Aspirational District	Amount Spent (in ₹)
1.	Chattisgarh	Korba	1,05,705.66

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? – Yes.**

Himadri's Sustainable Procurement Policy embraces inclusivity by incorporating a preferential sourcing approach that prioritizes suppliers from regulator-recognized marginalized and vulnerable groups. While the complex and specialized nature of our upstream raw material requirements presents challenges in sourcing directly from these groups, Himadri remains fully committed to fostering equitable opportunities across its value chain.

In alignment with management directives and our broader sustainability objectives, we actively engage marginalized and vulnerable communities through the procurement of consumables and manpower services. This approach ensures that we continue to contribute meaningfully to social inclusion, economic empowerment, and community development, reinforcing Himadri's role as a responsible and socially conscious organization.

b. **From which marginalized /vulnerable groups do you procure?** Economically poor

c. **What percentage of total procurement (by value) does it constitute?**

As a socially responsible organization, we identify the necessities of inclusion of marginalized/vulnerable groups across our value chain. Our comprehensive sustainable procurement policy clearly mentions the Company's responsibility to promote diversity and inclusion and in lieu with that we are formalizing the subsequent engagements. Currently, we are procuring workers from identified economically poor group which compaires around 65% of overall workers. These contractual workers are given comprehensive occupational health and safety training along with awareness furthering Government of India's "Mission LiFE". As a responsible employer, Himadri is committed to empowering its workforce beyond their tenure with the company. Through various training and upskilling initiatives, we equip our employees with valuable skills that enhance their future employability, supporting their continued economic prosperity and contributing to a resilient, skilled workforce.

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4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
		Not Applicable		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

6. Details of beneficiaries of CSR Projects:

Sl No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Free distribution of books, scholarship for education, development of school, library	458	No vulnerable and marginalized groups identified
2	Health Care Project-Conducted Free Doctors Check Up, Free Eye Testing, Free Spectacles Distribution, Medicine Distribution, Ayurveda, Naturopathic and Homeopathy Treatment at village Medical Centre	11,583	No vulnerable and marginalized groups identified
3	Rural development project for economically weaker sections(EWS) of the society in villages-setting up of Pucca Houses, Drinking Water Facilities/ Electrification, setting up of playground. Training to promote Rural Sports, setting up of Centre for Handicapped Children Setting up of schools etc.	2,330	93.64

Himadri's Corporate Social Responsibility (CSR) programmes reflect our deep-rooted commitment to creating inclusive, meaningful, and lasting impacts in the communities we serve. With over three decades of purposeful engagement, our CSR initiatives go far beyond regulatory compliance—they are a reflection of our core values and dedication to social responsibility. Guided by a dedicated Board-level CSR Committee, each project is thoughtfully designed, meticulously planned, and closely monitored from inception to completion to ensure maximum impact. Aligned with the UN Global Compact (UNGC) principles and increasingly shaped by Diversity, Equity, and Inclusion (DEI) values, our efforts promote sustainable development, STEM education, and community empowerment.

Empowering Communities through Sports and Social Welfare: Himadri's annual football tournaments foster unity and physical wellness, drawing crowds of nearly 6,000 spectators and offering youth a positive platform for growth. To support vulnerable populations during winter, we distributed warm clothing and blankets to residents across 20 villages, ensuring safety and comfort. Our skill development programmes equip women with vocational abilities, driving financial independence and improved household livelihoods.

Education and Infrastructure Support: Firm believers in the transformative power of education, we support students through scholarships and learning materials, benefitting over 400 students and distributing more than 2,000 books. Infrastructure upgrades at Joymolla High School and Nasibpur Kishalaya Handicapped School have enriched the learning environment for over 1,700 students, including children with disabilities, promoting inclusivity and academic growth.

At Himadri, we see CSR as a cornerstone of our mission to build a sustainable and equitable future. By collaborating with local partners and responding to real community needs, we create shared value—empowering individuals, strengthening communities, and advancing a culture of purpose, inclusiveness, and integrity.

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Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

SDGs Impacted



Businesses are responsible for providing safe products and services that have a minimal impact on society and the environment. Additionally, they must provide accurate and complete information about the products to facilitate informed decision-making for consumers and free competition in the market.

Customer centricity is at the heart of Himadri's business strategy, reflected in active engagement to grasp evolving customer needs. The Company consistently strives to exceed expectations by delivering superior customer experiences. Himadri is committed to responsible customer data management and employing world-class systems to ensure data privacy and cybersecurity standards are upheld across its operations.

100%
Resolution of feedback from customers

Nil
Number of Data Security Issues

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints

At Himadri, we follow a structured and responsive approach to ensure that every customer concern is addressed promptly and effectively. When a complaint is raised, regional managers from the Marketing department register it, capturing essential details such as product and grade information, invoice number, nature of the issue, customer or agent details, and any supporting images. The complaint is immediately shared with the Head of Technical Services and the Head of Quality Control. Customers receive an acknowledgment from the Regional Marketing Manager, assuring them that their concern is being acted upon.

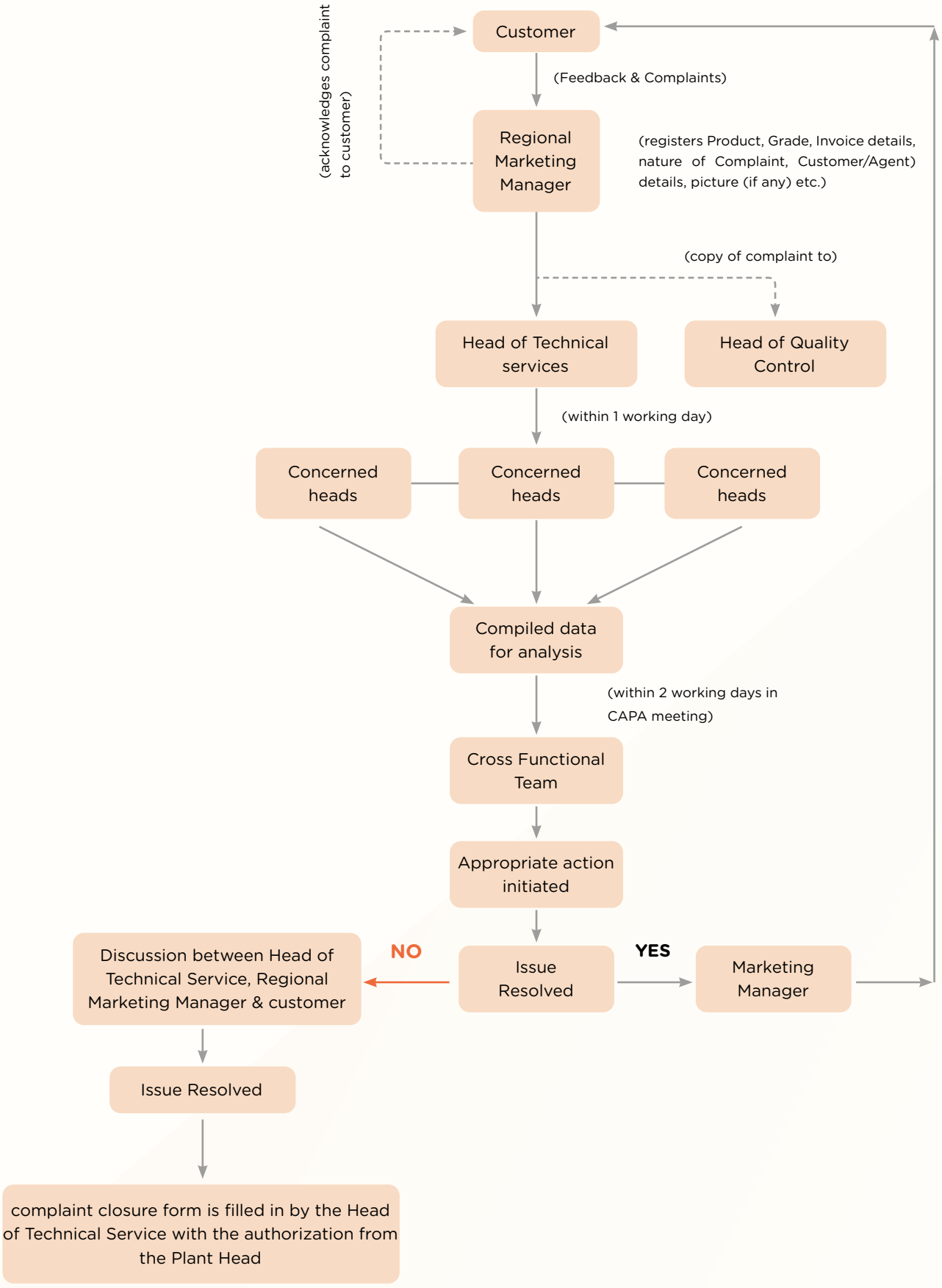
Within one working day, the Head of Technical Services forwards the complaint internally to the relevant department heads. These teams collect the necessary data and present their findings in a Corrective and Preventive Action (CAPA) meeting within two working days. Appropriate corrective steps are then initiated to resolve the issue. Once resolved, the outcome is communicated to the customer by the Marketing Manager. In cases where the complaint is found to be unjustified, the Head of Technical Services and Regional Marketing Manager engage directly with the customer to provide clarification and close the matter amicably.

The complaint closure form is completed by the Head of Technical Services and authorized by the Plant Head. If the resolution identifies any need for process improvements, necessary updates are made to procedures, work

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instructions, or specifications. All complaints, along with detailed analysis and actions taken, are documented and maintained by the Head of Quality Control—ensuring transparency, accountability, and continuous improvement.



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2. Turnover of products and services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

Himadri is deeply committed to protecting customer interests and promoting ethical business conduct, recognizing that consumer trust and satisfaction are foundational to long-term success. By upholding transparency, integrity, and accountability in all aspects of governance, Himadri fosters strong consumer confidence and reinforces its reputation as a responsible and customer-centric organization.

To ensure data protection, Himadri strictly adheres to both national and international regulations, including the General Data Protection Regulation (GDPR) and relevant local laws. All sensitive customer data is encrypted during transmission and securely stored using state-of-the-art technologies to prevent unauthorized access. The Company obtains explicit consent for data collection, processing, and storage, and follows a clear data retention policy that ensures information is not held longer than necessary and is disposed of securely.

Employees undergo regular training on cybersecurity awareness, ethical behavior, and data privacy best practices to ensure compliance with Himadri's robust data protection policies. Periodic security audits are conducted to proactively identify and address vulnerabilities. A comprehensive information security due diligence conducted by TUV SUD South Asia Pvt Ltd. confirmed that there were no data breach incidents, underscoring the effectiveness of Himadri's protocols. In addition, a well-defined Incident Response Plan is in place to swiftly detect, report, and respond to any potential cybersecurity incidents.

Himadri also maintains strong compliance with antitrust and fair competition laws. Its fair competition policy ensures that all transactions—with customers, suppliers, and business partners—are conducted transparently and in alignment with ethical standards. Pricing strategies are designed to be fair, competitive, and reflective of market dynamics. Regular audits of value chain partners ensure alignment with Himadri's commitment to fair trade and responsible business practices.

A robust Whistle-blower Policy empowers all stakeholders to report unethical practices or violations without fear of retaliation. Independent audits further reinforce compliance with legal and ethical standards across all operations.

Through these rigorous measures, Himadri demonstrates its unwavering commitment to integrity, ethical governance, and customer protection—maintaining a record of zero complaints related to data breaches, unfair trade practices, or restrictive conduct.

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Number of Customer feedback for process/Product improvement: Even though we do not have any complaints on the above mentioned categories, we have received Some of our customer's feedback to improve product Quality, process technicalities, packing process, logistics efficiency. Himadri ensures addressing customer feedback effectively for providing customer satisfaction and improving our products & services.

Feedback category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Product Quality	4	5
Process Technical	21	22
Packing process	42	48
Logistics Efficiency	7	15

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

Himadri strives to set a new benchmark in our industrial sector by underpinning sustainable practices to navigate through a diverse and dynamic global business landscape and maintain transparency in all our interactions. Himadri is aligned with the International Council of Chemical Associations' (ICCA) global agenda through the Responsible Care® initiative, supported by the Indian Chemical Council, its Indian counterpart. This underlines the Company's commitment to the highest standards of safety, health and environmental performance. We have implemented comprehensive quality control processes throughout the entire production life. We have conducted detailed audits of all our suppliers and vendors to ensure they met our high standards of product safety and quality. Our extensive product trials and testing including real-world consumer testing wherever applicable have helped to identify potential safety concerns. Our adherence to ISO certifications and safety laws, is rigorously followed in all stages of design, manufacturing and distribution. Additionally, all our customers are supplied with comprehensive product MSDS which clearly outlines all the safety parameters starting from handling to safe disposal.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Himadri has a comprehensive policy on information security and data management policy, This policy focuses on protecting sensitive information from unauthorised access, disclosure, or breaches. It outlines the framework for ensuring compliance with data protection regulations, implementing robust cybersecurity measures and securing personal data, especially in the digital age. The policy includes protocols for regular security audits and employee awareness programmes on data privacy.

https://www.himadri.com/assets/imgs/Information_Security_Data_management.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There are no grievances raised related to data breaches, or on product safety concerns/services. Advanced technological measures protect sensitive data from breaches or unauthorised access. Employees are trained on data privacy regulations and best practices to securely handle data (phishing, ransomware and other cyber threats). The Company's robust data governance policy ensures a compliance with national data protection and privacy standards including Digital Personal Data Protection Act, 2023. Himadri conducts periodic audits which covers data security and protection to ensure the effectiveness of governance frameworks and compliance ensuring a preparedness for probable risks. Independent agencies verify the accuracy of sustainability data, including metrics related to business continuity, IT security. Himadri is aligned with the International Council of Chemical Associations' (ICCA) global agenda through the Responsible Care® initiative, supported by the Indian Chemical Council, its Indian counterpart. Responsible Care® represents a global commitment by the chemical industry to continuously improve

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and transparently communicate its performance in these critical areas. This underlines the Company's commitment to the highest standards of safety, health and environmental performance.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches-** Nil

   b. **Percentage of data breaches involving personally identifiable information of customers-** Nil

   c. **Impact, if any, of the data breaches-** Not applicable

   Himadri has successfully achieved zero incidents related to data breaches through a strong commitment to data security and by adopting comprehensive measures in line with international standards. This achievement is largely attributed to Himadri's proactive risk management strategies, which include regular security audits, encryption and multi-layered access controls. Himadri has conducted a thorough data security due diligence process by TUV SUD South Asia Pvt Ltd. a globally recognized certification body which also assured clients and stakeholders that Himadri is committed to protecting sensitive information and mitigating potential data security risks.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The official company website serves as the central hub for information about products and services. We also engage and share real time information about on social media platform like LinkedIn. www.himadri.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Himadri, as part of its commitment to consumer safety and responsibility, has implemented a series of steps to educate and inform its consumers about the safe and responsible usage of its products and services.

   1. Clear and detailed product labeling/MSDS: Himadri ensures that all products come with clear & easy to understand labelling that outlines usage instructions, safety precautions and potential hazards.
   2. Comprehensive user manuals and guidelines: These resources often include visual aids and step-by-step instructions.
   3. Customer support and helplines: Himadri has set up dedicated customer support teams and helplines to offer guidance and provide safety related information to consumers.
   4. Online resources and FAQs: Himadri maintain an online resource center that includes frequently asked questions (FAQs), safety tips, troubleshooting guides and product usage videos.
   5. Product training and demonstrations: Himadri offers product demonstrations, either in-person or via virtual platforms, to show consumers the correct way to use its products.
   6. Awareness programs: Himadri sponsors awareness campaigns across various platforms, focusing on the safe and responsible use of its products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Information related to any risk of disruption/discontinuation of essential services is communicated to consumers through e-mails, phone calls or any such established media.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes, Himadri places a strong emphasis on clear and informative product displays to ensure consumers have all necessary details for safe and effective use of its products. Himadri's offerings are designed to be comprehensive, user-friendly and complaint with relevant regulations. This includes not only physical product labelling but also the digital content available on website. The following are the key elements typically included;

   1. Product name and description
   2. Usage instructions
   3. Safety warning and precautions
   4. Environmental impact and disposal instructions

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These displays are not only critical for consumer confidence but also play a key role in fostering responsible and informed product usage, which is in line with both ethical business practices and legal requirements.

Himadri's approach to conducting consumer satisfaction surveys is a key component of its strategy for maintaining a high standard of customer service and product quality. By regularly gathering feedback, analyzing results and acting on insights the company ensures that its offerings are aligned with consumer expectations, fostering stronger customer relationships and driving ongoing business success.

For and on behalf of the Board

Sd/-
Anurag Choudhary
Chairman cum Managing Director
& Chief Executive Officer
(DIN: 00173934)

Sd/-
Shyam Sundar Choudhary
Executive Director
(DIN: 00173732)

Place: Kolkata
Date: 21 April 2025

Assurance Statement

Assurance statement on third-party verification of sustainability information

Unique identification no**. 3153123427**

TÜV SÜD South Asia Pvt. Ltd. (hereinafter "TÜV SÜD") has been engaged by **Himadri Speciality Chemical Limited**, Head office : **23-A, Netaji Subhas Road, Suit Kolkata: 700001**, to perform a **Limited Assurance** and verification of sustainability information in the **"Business Responsibility & Sustainability Report"** of **Himadri Speciality Chemical Limited** (hereinafter "Company") for the period from **April 01, 2024 to March 31, 2025**. The verification was carried out according to the steps and methods described below.

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/framework (hereinafter referred as "Reporting Criteria").

Reporting standard/framework

The disclosures have been prepared by **Himadri Speciality Chemical Limited**, in reference to:

BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. July 12, 2023.

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period Financial Year FY 2024-25 as listed below

Limited level of assurance for the rest non-financial quantitative disclosures in BRSR (Ref: Annexure II of SEBI circular) for -

Section A: General Disclosures- 20-a, b, 21, 22, 25

Section C: Principle Wise Performance Disclosure-

Principle 1: Essential Indicator 1, 2, 3, 4, 5, 6

Principle 2: Essential Indicator 2

Principle 3: Essential Indicator 1-a, 2, 5, 8, 9, 13

Principle 5: Essential Indicator 1, 2, 6

Principle 6: Essential Indicator 1, 2, 3, 4, 5, 6, 7, 8, 9

Principle 7: Essential Indicator 1

Principle 8: Essential Indicators 1, 2, 3, 4

Principle 9: Essential Indicators 1, 2

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the BRSR reporting, and accordingly, we do not express a conclusion on this information.

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

Level of Assurance

Limited Level of assurance for the rest non-financial quantitative disclosures of BRSR report (Ref: Annexure II of SEBI circular).

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
1	**Himadri Speciality Chemical Limited**	**Registered Office:** Fortuna Tower, 23-A, Netaji Subhas Road, 8th Floor, Suite No: 15, Kolkata – 700 001, West Bengal, India
2		**Corporate office:** Ruby House 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, West Bengal, India
3		**MTK Plant:** Mahistikry, P.S. – Haripal, District – Hooghly, West Bengal, India
4		**Liluah Plant 1:** 58, N.S. Road, Liluah, Howrah – 711 204, West Bengal, India
5		**Liluah Plant 2:** 27-B, Gadadhar Bhatt Road, Liluah, Howrah – 711 204, West Bengal, India
6		**Falta Plant:**Falta Special Economic Zone, Sector – II, Village – Simulberia, Falta, District – 24 Parganas (South), West Bengal, India
7		**Sambalpur:** Kenghati, P.O Jayantpur, Sambhalpur
8		**Korba:** Jhagarh, Rajgamar Collery Korba (Chattisgarh)
9		**Visakhapatnam:** Ancillary Industrial Estate, Visakhapatnam, Andhra Pradesh, India

Conclusion

Limited Level of Assurance- BRSR Reporting Format

On the basis of the assessment procedures carried out from 02.05.2025 to 13.05.2025, TÜV SÜD has not become aware of any facts that lead to the conclusion that the selected indicators have not been prepared, in all material aspects, in accordance with the Reporting Criteria.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the “scope of the engagement”. Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

Place-Gurugram

Date- 16.05.2025





Prosenjit Mitra

GM- Audit Services

(Business Line - Verification, Validation & Audit)

Supravat Mondal

Senior Manager

Independent Auditor's Report

To the Members of
Himadri Speciality Chemical Ltd

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Himadri Speciality Chemical Ltd (the "Company") which comprise the standalone balance sheet as at 31 March 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, and notes to the standalone financial statements including material accounting informations and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context:

Descriptions of Key Audit Matter	How we addressed the matter in our audit
A. Valuation of Inventories Refer to note 15 to the standalone financial statements. The Company is having Inventory of ₹ 58,592.17 lakhs as on 31 March 2025. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 15 to the financial statements, inventories are carried at the lower of cost and net realisable value. The management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished goods and Work in progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory. To ensure that all inventories owned by the entity are recorded and recorded inventories exist as at the year-end and valuation has been done correctly, inventory valuation has been considered as Key audit matters.	We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by: • Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. • Verify that the adequate cut off procedure has been applied to ensure that purchased inventory and sold inventory are correctly accounted. • Reviewing the document and other record related to physical verification of inventories done by the management during the year. • Verify that inventories are valued in accordance with Ind AS 2 • Verifying for a sample of individual products that costs have been correctly recorded.

Independent Auditor's Report (Contd.)

Descriptions of Key Audit Matter	How we addressed the matter in our audit
	• Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year. Based on the audit procedures performed, we did not identify any material exceptions in the inventory valuation.
B. Revenue Recognition Refer to note 26 to the standalone financial statements. Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. Revenue is recognized when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. Terms of sales arrangements, including the timing of transfer of control, delivery specifications including Incoterms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period. The estimation of discounts, rebates and price adjustments to be recognised based on sales made during the year is material and considered to be complex and judgmental. Due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers 'and the judgments and estimates involved in making the estimation of discounts, rebates and price adjustments, we determined the recognition of revenue, estimation of discounts, rebated & price adjustments as a key audit matter.	As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition, estimation of discounts rebates and price adjustments and evaluated the design and operative effectiveness of the financial controls for the above through our test of control procedures. • Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. • Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies. • Obtaining and inspecting, on a sample basis, supporting documentation for discounts, rebates and price adjustments recorded and disbursed / allowed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. • Our audit procedures included, among other things, the evaluation of the process to calculate the provision for price adjustments and the evaluation of the relevant assumptions and their derivation for the measurement of the provisions. • We also compared costs incurred to the previously recognized provisions to assess the quality of the management estimates. Based on the evidence obtained, we concluded that management's process for identifying and quantifying the provision for rebates and price adjustments was appropriate and that the resulting provision was reasonable. • Performed procedures to identify any unusual trends of revenue recognition. • Traced disclosure information to accounting records and other supporting documentation. • Based on the audit procedures performed, we did not identify any material exceptions in the revenue recognition and in estimation of discounts, rebates & price adjustments.

Independent Auditor's Report (Contd.)

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place with reference to financial statements and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

Independent Auditor's Report (Contd.)

a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, based on our audit we report that:

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The standalone balance sheet, the standalone statement of profit and loss including the statement of other comprehensive income, standalone statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

   e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2025 from being appointed as a director in terms of Section 164(2) of the Act;

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

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act,

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

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule

Independent Auditor's Report (Contd.)

11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 8(d), 16(b), 24(c) and 35(a) to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 21 to the standalone financial statements.

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

iv. (a) The management has represented to us that, to the best of its knowledge and belief no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

(b) The Board of Directors of the Company has proposed dividend for the year, which is subject to the approval of the Members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. - 302049E

Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN - 25053816BMLLYG4397

Place: Kolkata
Date: April 21, 2025

Annexure "A"

to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Himadri Speciality Chemical Limited on the standalone financial statements as of and for the year ended 31 March 2025)

i. In respect of the Company's property, plant and equipment.

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The Company has a program of verification to cover all the items of property plant and equipment in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of property plant & equipments were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

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

Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held-indicate range, where appropriate	Reason for not being held in the name of the Company.Also indicate if in dispute
Freehold Land	518.86	Equal Commodeal Private Limited	No	2017-2019	Refer note 4A(a) of the standalone financial Statements

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March 2025.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

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

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

iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted unsecured loans to 3 (three) wholly owned Subsidiary Companies (including step down Subsidiaries) and to 37 (thirty-seven) employees during the year. The Company also has made investments in equity shares of 3 (three) Subsidiary Companies, compulsory convertible notes of 1 (one) body corporate and in debentures of 1 (one) body corporate

Annexure "A"

to the Independent Auditor's Report (Contd.)

during the year. The Company has not provided any guarantee or security during the year. The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not granted any advances in the nature of loans, secured or unsecured, to Firms, Limited Liability Partnerships, or any other parties. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to loans granted to its subsidiaries (including step down subsidiaries) and its employees are as per the table given below:

(₹ In lakhs)

Particulars	Aggregate amount of loan granted /provided during the year	Balance outstanding as a balance sheet date in respect of those cases
Loan to Subsidiary Companies (including step down subsidiaries)	1,085.00	1,090.00
Loan to Others – Employees	69.40	182.89

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and terms and conditions of the grant of loans during the year are not prejudicial to the interest of the Company. The Company has not provided any guarantee or security during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest-bearing loans given, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loan granted along with the interest due thereon, to one employee has been renewed which had fallen due during the year. The aggregate amount of such loan extended is Rs. 103.21 lakhs and percentage of such loan extended to the total loans granted during the year is 8.21 %.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii) (f) is not applicable.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made during the year. The Company has not provided any guarantee or security 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. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

Annexure "A"

to the Independent Auditor's Report (Contd.)

(b) According to the information and explanations given to us and the records of the Company examined by us, the statutory dues of Goods and Service Tax, Sales Tax, Value added tax, Income-tax, Service tax, Duty of Customs, Entry Tax, Cess or other statutory dues as at 31 March 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of the dues	Amount under dispute (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Period	Forum where dispute is pending
Central Sale Tax Act, 1956	Central Sale Tax	761.80	90.03	2005-06 to 2006-07, 2009-10 and 2013-14	Appellated and Revision Board
		30.45	7.61	2005 - 2006	Sales Tax Appellate Tribunal
		18.24	3.49	2016-17	Addl. Commissioner (Appeal)
		0.89	0.44	2010 - 2011	Deputy Commissioner
		0.26	14.42	2017-18	Commissioner (Appeal)
		137.86	-	2008-09	Hon'ble Calcutta High Court
		20.54	-	2015-16	Ld. Sales Tax Officer
West Bengal Value Added Tax Act, 2003	Value Added Tax	905.86	-	2008 - 2009	West Bengal Taxation Tribunal
		929.61	24.36	2005-06 to 2006-07; 2009-2010 and 2013-14	Appellated and Revision Board
Chhattisgarh Value Added Sales Tax Act, 2003	Value Added Tax	2.05	-	2017 - 2018	Jt. Commissioner
Good & Service Tax Act, 2017	GST - Korba	54.48	31.47	Jul 17 – Mar 18, 2018-19, Apr - Sep 21, 2019-20	First Appellate Authority
		269.05	2.45	2018-19 to 2020-21	Ld. Dy. Commissioner
		141.65	0.46	2020-21	Ld. Asst. Commissioner
	GST – WB	2.46	2.58	2021-22	Ld. Addl. Commissioner Appeal
		6.79	1.70	2024-25	Appellate Authority
The Central Excise Act, 1944	Excise Duty	0.31	0.09	2011-12 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
		6.94	-	Jan 05 to Mar 06	Commissioner (Appeals) of Central Excise
The Custom Act, 1962	Custom Act	28.83	3.00	2000-2001	Custom Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	3.35	0.13	2012-13 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
Chhattisgarh Entry Tax Act, 1976	Entry Tax	126.18	80.66	2012-13, 2017-18 1st quarter	Hon'ble High Court of Judicature Chhattisgarh at Bilaspur
		60.07	20.00	2012-13 & 2017-18	Assistant Commissioner
		321.53	200.00	2013-14 to 2016-17	Commissioner
Income Tax Act, 1961	Income Tax	1042.69	678.04	AY 2013-14, AY 2017-18 & AY 2018-19	Commissioner of Income Tax (Appeals)

Annexure "A"

to the Independent Auditor's Report (Contd.)

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans during the year ended 31 March 2025 and there was no unutilized balance of term loan obtained in earlier years as on 1 April 2024. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that during the year, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary companies (as defined under Companies Act, 2013) hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of shares during the year. The Company has not made any private placement of shares during the year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not issued any debentures during the year.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) (b) & (c) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports issued to the Company during the year and till date and made available to us.

Annexure "A"

to the Independent Auditor's Report (Contd.)

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) As represented by the Management, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, there were no unspent amount as on 31 March 2025 which were required to be transferred to a special account.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. - 302049E

Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN - 25053816BMLLYG4397

Place: Kolkata
Date: April 21, 2025

Annexure "B"

to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Himadri Speciality Chemical Limited on the Standalone Financial Statements as of and for the year ended 31 March 2025)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Himadri Speciality Chemical Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies , the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to theses standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial control with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure "B"

to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at 31 March 2025, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. - 302049E

Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN - 25053816BMLLYG4397

Place: Kolkata
Date: April 21, 2025

Standalone Balance Sheet

as at 31 March 2025

Amount in ₹ Lakhs

	Note	31 March 2025	31 March 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4A	**1,44,822.93**	1,45,737.84
(b) Capital work-in-progress	4B	**17,644.98**	6,651.87
(c) Right of use assets	5	**1,628.56**	1,726.95
(d) Intangible assets	6	**69.62**	82.22
(e) Financial assets			
(i) Investments	7	**62,776.84**	47,675.16
(ii) Loans	11	**1,090.00**	105.00
(iii) Trade receivables	8	**1,018.41**	1,018.41
(iv) Other financial assets	12	**6,097.46**	2,386.57
(f) Non-current tax assets (net)	13	**881.39**	733.06
(g) Other non-current assets	14	**4,076.87**	2,321.50
Total non-current assets		**2,40,107.06**	2,08,438.58
(2) Current assets			
(a) Inventories	15	**58,592.17**	70,608.63
(b) Financial assets			
(i) Trade receivables	8	**62,770.16**	65,564.98
(ii) Cash and cash equivalents	9	**15,302.77**	20,939.95
(iii) Bank balances other than (ii) above	10	**51,670.64**	51,652.73
(iv) Loans	11	**182.89**	126.48
(v) Other financial assets	12	**2,327.55**	2,881.33
(c) Other current assets	16	**21,262.76**	15,587.63
Total current assets		**2,12,108.94**	2,27,361.73
TOTAL ASSETS		**4,52,216.00**	4,35,800.31
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	17	**4,937.82**	4,925.95
(b) Other equity	18	**3,59,814.73**	2,93,195.04
Total equity		**3,64,752.55**	2,98,120.99
(2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	**220.28**	2,153.78
(ii) Lease liabilities	35(c)	**139.95**	80.45
(iii) Other financial liabilities	22	**25.77**	25.77
(b) Provisions	24	**1,109.17**	900.20
(c) Deferred tax liabilities (net)	33	**26,325.98**	16,913.24
Total non-current liabilities		**27,821.15**	20,073.44
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	**30,559.73**	57,888.19
(ii) Lease liabilities	35(c)	**89.93**	54.24
(iii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		**496.70**	292.03
- total outstanding dues of creditors other than micro enterprises and small enterprises		**22,982.07**	54,200.41
(iv) Derivatives	21	**423.83**	-
(v) Other financial liabilities	22	**3,374.05**	2,515.83
(b) Other current liabilities	23	**715.40**	1,737.55
(c) Provisions	24	**44.84**	110.38
(d) Current tax liabilities (net)	25	**955.75**	807.25
Total current liabilities		**59,642.30**	1,17,605.88
TOTAL EQUITY AND LIABILITIES		**4,52,216.00**	4,35,800.31

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Standalone Statement of Profit and Loss

for the year ended 31 March 2025

Amount in ₹ Lakhs

	Note	Year ended 31 March 2025	Year ended 31 March 2024
I. Revenue from operations	26	**4,59,580.34**	4,18,489.03
II. Other income	27	**5,090.14**	4,255.06
III. **Total income (I + II)**		**4,64,670.48**	4,22,744.09
IV. **Expenses**			
Cost of materials consumed	28	**3,15,698.98**	3,07,184.52
Changes in inventories of finished goods and work-in-progress	29	**(501.19)**	(3,670.28)
Employee benefits expense	30	**12,436.63**	10,996.88
Finance costs	31	**4,457.13**	6,371.76
Depreciation and amortisation expense	4A, 5 and 6	**4,961.51**	4,774.78
Other expenses	32	**46,843.67**	39,772.69
Total expenses		**3,83,896.73**	3,65,430.35
V. **Profit before exceptional item and tax (III-IV)**		**80,773.75**	57,313.74
VI. **Exceptional items**	46	**-**	-
VII. **Profit before tax (V-VI)**		**80,773.75**	57,313.74
VIII. **Tax expenses**			
Current tax	33	**14,094.76**	10,003.48
Deferred tax	33	**10,780.02**	6,210.72
Income tax related to earlier years		**91.92**	-
Total tax expenses		**24,966.70**	16,214.20
IX. **Profit for the year (VII-VIII)**		**55,807.05**	41,099.54
X. **Other comprehensive income**	36		
A. Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the net defined benefit plan		**(103.21)**	(59.37)
(b) Net gain/ (loss) on investment in equity instruments accounted at fair value		**266.98**	6,035.00
(c) Income-tax relating to items that will not be reclassified to profit or loss		**1,367.28**	(1,306.26)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**1,531.05**	4,669.37
B. Items that will be reclassified subsequently to profit or loss		**-**	-
Net other comprehensive income to be reclassified subsequently to profit or loss		**-**	-
Other comprehensive income for the year (net of income tax)		**1,531.05**	4,669.37
XI. **Total comprehensive income for the year (IX+X)**		**57,338.10**	45,768.91
XII. **Earnings per equity share**	34		
[Face value of equity share ₹ **1** each (previous year ₹ 1 each)]			
- Basic		**11.31**	9.17
- Diluted		**11.22**	9.16
The accompanying notes form an integral part of the Standalone financial statements.			

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Place: Kolkata
Date: 21 April 2025

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Standalone Statement of Changes in Equity

for the year ended 31 March 2025

A. Equity share capital

Amount in ₹ Lakhs

	Note	Number	Amount
Balance as at 1 April 2023		43,27,07,198	4,327.07
Changes in equity share capital during the year	17	5,98,87,375	598.88
Balance as at 31 March 2024		49,25,94,573	4,925.95
Equity shares issued during the year	17	**11,87,651**	**11.87**
Balance as at 31 March 2025		**49,37,82,224**	4,937.82

B. Other equity

Amount in ₹ Lakhs

	Note	Reserves and surplus					Items of Other comprehensive income	Money received against share warrants	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Equity instruments through other comprehensive income		
Balance at 1 April 2023		1,280.50	54,970.30	18,955.61	268.21	1,23,885.35	7,504.31	10,368.75	2,17,233.03
Total comprehensive income for the year ended 31 March 2024									
Profit for the year 2023-2024		-	-	-	-	41,099.54	-	-	41,099.54
Remeasurement of net defined benefit plan		-	-	-	-	(38.69)	-	-	(38.69)
Net change in fair value of Equity investments		-	-	-	-	-	4,708.06	-	4,708.06
Total comprehensive income for the year		-	-	-	-	41,060.85	4,708.06	-	45,768.91
Dividends	17I	-	-	-	-	(1,081.95)	-	-	(1,081.95)
Received on issue of share warrants convertible into equity shares		-	-	-	-	-	-	31,106.25	31,106.25
Conversion of share warrants into equity shares	17H	-	40,882.50	-	-	-	-	(41,475.00)	(592.50)
Issue of equity shares on exercise of employee stock option	38	-	145.11	-	(145.11)	-	-	-	-
Share based payments- Equity settled	38	-	761.30	-	-	-	-	-	761.30
Balance at 31 March 2024		1,280.50	96,759.21	18,955.61	123.10	1,63,864.25	12,212.37	-	2,93,195.04

Standalone Statement of Changes in Equity

for the year ended 31 March 2025 (Contd.)

B. Other equity (Contd.)

Amount in ₹ Lakhs

	Note	Reserves and surplus					Items of Other comprehensive income	Money received against share warrants	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Equity instruments through other comprehensive income		
Balance at 1 April 2024		1,280.50	96,759.21	18,955.61	123.10	1,63,864.25	12,212.37	-	2,93,195.04
Total comprehensive income for the year ended 31 March 2025									
Profit for the year 2024-2025		-	-	-	-	55,807.05	-	-	55,807.05
Remeasurement of net defined benefit plan		-	-	-	-	(77.23)	-	-	(77.23)
Net change in fair value of Equity investments		-	-	-	-	-	1,608.28	-	1,608.28
Total comprehensive income for the year		-	-	-	-	55,729.82	1,608.28	-	57,338.10
Dividends	17I	-	-	-	-	(2,467.58)	-	-	(2,467.58)
Received on issue of share warrants convertible into equity shares		-	-	-	-	-	-	8,924.63	8,924.63
Conversion of share warrants into equity shares	17H	-	504.00	-	-	-	-	(505.60)	(1.60)
On issue of shares to shareholders of Subsidiary Company		-	2,508.80	-	-	-	-	-	2,508.80
Issue of equity shares on exercise of employee stock option	38	-	47.67	-	(47.67)	-	-	-	-
Share based payments- Equity settled	38	-	317.34	-	-	-	-	-	317.34
Balance at 31 March 2025		1,280.50	1,00,137.02	18,955.61	75.43	2,17,126.49	13,820.65	8,419.03	3,59,814.73

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of Reserves:

(i) Capital reserve: Capital reserve represents profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) Securities premium: Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.

(iii) General reserve: It represents a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Transfer of profit to general reserve is not mandatory under the Companies Act, 2013.

Standalone Statement of Changes in Equity

for the year ended 31 March 2025 (Contd.)

B. Other equity (Contd.)

(iv) Share option outstanding reserve: The Company has a stock option scheme under which options to subscribe for the Company's share have been granted to certain executives and senior employees. The share option outstanding reserve is used to recognise the value of equity-settled share based payments provided to employees, including certain key management personnel, as part of their remuneration. (refer note 38).

(v) Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(vi) Equity instruments through other comprehensive income: The Company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income (OCI). These changes are accumulated within the equity instruments through OCI shown under the head other equity. The Company transfers amounts therefrom to retained earnings when the relevant equity instruments are derecognised.

(vii) Money received against share warrants: The Company had issued and allotted warrants, each convertible into one equity share of ₹ 1 each, on Preferential allotment basis to the Promoter of the Company and certain identified non-promoter persons upon receipt of 25% of the issue price as warrant subscription money. Balance 75% of the issue price was payable within 18 months from the date of allotment at the time of exercising the option to apply for fully paid-up equity share of ₹ 1 each of the Company, against each warrant held by the warrant holder. On conversion of such warrants into equity shares, the Company transfers the amount therefrom to securities premium and share capital.

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Standalone Statement of Cash Flows

for the year ended 31 March 2025

Accounting Policy

Cash flows are reported using the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013, whereby the profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Amount in ₹ Lakhs

	Year ended 31 March 2025		Year ended 31 March 2024	
A. Cash flows from operating activities				
Net profit before tax		**80,773.75**		57,313.74
Adjustments for:				
Depreciation and amortisation expense	**4,961.51**		4,774.78	
Finance costs	**4,457.13**		6,371.76	
Interest income	**(4,439.82)**		(3,620.91)	
Net (gain)/ loss on fair valuation of investments through profit or loss	**(343.43)**		-	
Net (gain)/ loss on sale of current investments carried at Fair value through profit and loss (FVTPL)	**-**		(110.88)	
Loss allowance for doubtful trade receivables	**-**		182.99	
Unrealised foreign exchange fluctuation (gain)/ losses, net	**134.11**		(517.27)	
Loss/ (gain) (net) on sale of property, plant and equipment	**0.68**		5.14	
		4,770.18		7,085.61
Cash generated from/ (used in) operations before working capital changes		**85,543.93**		64,399.35
Movement in working capital:				
(Increase)/ Decrease in inventories	**12,016.46**		(16,084.19)	
(Increase)/ Decrease in trade receivables	**3,074.19**		(15,032.54)	
(Increase)/ Decrease in financial and other assets	**(9,615.02)**		2,134.96	
Increase/ (Decrease) in trade payables	**(31,012.60)**		20,289.18	
Increase/ (Decrease) in financial liabilities (net)	**563.91**		(395.21)	
Increase/ (Decrease) in other liabilities and provisions (net)	**(880.54)**		(6,079.93)	
		(25,853.60)		(15,167.73)
Cash generated from/ (used in) operations		**59,690.33**		49,231.62
Taxes paid		**(14,186.51)**		(9,196.23)
Net cash generated from/ (used in) operating activities		**45,503.82**		40,035.39
B. Cash flows from investing activities				
Purchase of property, plant and equipment	**(16,144.36)**		(5,236.08)	
Proceeds from sale of property, plant and equipment	**9.45**		10.55	
Purchase of intangible assets	**(20.78)**		(38.69)	
Interest income received	**4,962.71**		3,147.48	
Loan refunded by subsidiary	**100.00**		-	
Loan given to subsidiaries	**(1,085.00)**		(105.00)	
Sale/ (purchase) of current investments (net)	**-**		15.78	
Sale of non-current investments	**-**		13,800.00	
Purchase of non-current investments	**(9,518.02)**		(42,151.01)	
Investment in subsidiaries	**(2,456.48)**		(3.18)	
Redemption of bank deposits (having maturity of more than 3 months)	**51,606.10**		41,654.02	
Investment in bank deposits (having maturity of more than 3 months)	**(51,607.72)**		(51,606.11)	
Net cash generated from/ (used in) investing activities		**(24,154.10)**		(40,512.24)
C. Cash flows from financing activities				
Proceeds from allotment of equity shares under employee stock options	**319.64**		767.68	
Proceeds from issue of warrants convertible into equity shares	**8,924.63**		31,106.25	
Proceeds from non-current borrowings	**-**		270.06	
Repayment of non-current borrowings	**(3,193.00)**		(6,168.23)	

Standalone Statement of Cash Flows

for the year ended 31 March 2025 (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025		Year ended 31 March 2024	
Proceeds from/ (Repayment of) current borrowings (net)	**(26,273.17)**		(18,110.77)	
Interest paid	**(4,182.91)**		(6,288.57)	
Payment of lease liabilities (principal portion)	**(90.22)**		(44.64)	
Payment of lease liabilities (interest portion)	**(19.90)**		(12.58)	
Net proceeds/ (Outflow) on settlement of derivative contracts	**(3.23)**		374.93	
Dividend paid	**(2,467.58)**		(1,081.95)	
Net cash generated from/ (used in) financing activities		**(26,985.74)**		812.18
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**(5,636.02)**		335.33
Cash and cash equivalents at the beginning of the year (refer note 9)		**20,939.95**		20,604.60
Effect of exchange rate fluctuations on cash held in foreign currency (EEFC accounts)		**(1.16)**		0.02
Cash and cash equivalents at the end of the year (refer note 9)		**15,302.77**		20,939.95

Notes:

1. Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

2. Changes in liability arising from financing activities:

Amount in ₹ Lakhs

	1 April 2024	Cash flow (net)	Foreign exchange movement	Additions	Other changes#	31 March 2025
Borrowings (refer note 19)	**60,041.97**	**(29,466.17)**	**196.51**	**-**	**7.70**	**30,780.01**
Derivative contracts	**(101.39)**	**(3.23)**	**-**	**-**	**528.45**	**423.83**
Lease Liabilities	**134.69**	**(110.12)**	**-**	**185.41**	**19.90**	**229.88**
Interest accrued	**407.50**	**(4,182.91)**	**(210.18)**	**4,457.13**	**(27.60)**	**443.94**

Amount in ₹ Lakhs

	1 April 2023	Cash flow (net)	Foreign exchange movement	Additions	Other changes#	31 March 2024
Borrowings (refer note 19)	83,619.61	(24,008.94)	408.88	-	22.42	60,041.97
Derivative contracts	11.00	374.93	-	-	(487.32)	(101.39)
Lease Liabilities	179.33	(57.22)	-	-	12.58	134.69
Interest accrued	671.71	(6,288.57)	(312.40)	6,371.76	(35.00)	407.50

#Other changes with respect to borrowings, lease liabilities and interest accrued represent adjustment for effective interest and for derivative contracts it represents fair value changes.

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

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Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Notes to the Standalone Financial Statements

for the year ended 31 March 2025

1. Reporting entity

Himadri Speciality Chemical Limited ("the Company") is a public company domiciled and headquartered in India, having its registered office situated at 23A, N. S. Road, Kolkata- 700 001 and corporate office situated at 8, India Exchange Place, 2nd floor, Kolkata -700 001. The Company was incorporated on 28 July 1987 and its equity shares are listed on National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE). The Company is primarily engaged in the manufacturing of carbon materials and chemicals. The Company has operations in India and caters to both domestic and international markets.

The Standalone financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on 21 April 2025.

A. Statement of Compliance

These Standalone financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), notified under Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable, to the Financial Statements.

B. Recent amendments:

a. New and amended standards adopted by the Company.

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1 April, 2024. . The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b. New and amended standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March, 2025, there are no standards that are notified and not yet effective as on date.

2. Basis of Preparation and measurement of Standalone financial statements

(a) Basis of preparation and measurement

The Standalone financial statements have been prepared and presented on a going concern basis and under the historical cost convention on the accrual basis, except for certain financial instruments, defined benefit plans and employee share-based payments which are measured at fair value or amortised cost at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of product and time elapsed between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered an operating cycle of 12 months for the purpose of non- current and current classification of its assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company determines materiality depending on the nature or magnitude of information, or both. Information is material if omitting, misstating or obscuring it could reasonably influence decisions made by the primary users, on the basis of those financial statements.

(b) Functional and presentation currency

The financial statements have been presented in Indian Rupees (INR), which is the Company's Functional Currency. Transactions in foreign currencies are recorded at their respective

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

functional currency at the exchange rates prevailing at the date, the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All Financial information presented in INR has been rounded off to nearest two decimals of Lakhs, unless otherwise indicated.

3. Material Accounting Policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of the standalone financial statements have been disclosed in the respective notes.

3.1 Key accounting estimates and judgements

The preparation of the Company's Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes and disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revisions to accounting estimates are recognised prospectively. The changes in the estimates are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Critical accounting estimates and key sources of estimation uncertainty: Key assumptions

(i) Useful lives of Property, plant and equipment and Other intangible assets

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets (refer note 4A and 6).

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as volatility risk and credit risk (refer note 40).

(iii) Defined benefit plan

The Company provides defined benefit employee retirement plans. Measurement of such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation (refer note 24).

(iv) Recognition of current tax and deferred tax (including MAT credit entitlements)

The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances, and disallowances which is exercised while determining the provision for income tax. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability (refer note 33).

(v) Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers at transaction price that reflects the consideration which the Company expects to receive in exchange for those products or services. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers the terms of the contract in determining the transaction price. For incentives/discounts offered to customers/dealers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

(vi) Determination of lease liabilities

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics [refer note 35(c)].

(vii) Determination of Right of use (ROU) assets

Certain key assumptions used in determination of ROU assets and liabilities, incremental borrowing rate and lease term. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (refer note 5).

(viii) Loss allowance on trade receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to the industries the Company deals with, and the countries where it operates. The identification of credit impaired balances of trade receivable requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables, and credit impaired expenses in the period in which such estimate has been changed (refer note 8, 40 and 41).

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

4A. Property, plant and equipment

Accounting Policy

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance which can be measured reliably are capitalised and depreciated over their useful life where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are charged to profit and loss during the reporting period in which they are incurred.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Depreciation is calculated on estimated useful life using the written down value method for Property, plant and equipment situated at Liluah Unit - I (Howrah), Vapi and Vizag, and on property, plant and equipment situated at other locations are provided on straight line method over the useful life of assets, at the rates and in the manner specified in Part C of Schedule II of the Act except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful life, depreciation method and residual value are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the asset.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight-line basis over the period of respective lease, except land acquired on perpetual lease. Useful life and residual values are reviewed at each financial year end and adjusted, as appropriate. Leasehold improvements are amortised/ depreciated over the remaining tenure of the contract.

The estimated useful life of items of property, plant and equipment for the current period are as follows:

Asset	Management estimate of useful life (in years)
Buildings	10-60
Plant and equipment	5-60
Office equipment	3-25
Vehicles	8-10
Furniture and fixtures	10

Based on technical assessment done by experts in earlier years and management's estimate:

- Useful life of property, plant and equipment are different than those indicated in Schedule II to the Act, as stated above.

- Residual value on property, plant and equipment has been estimated at 5% of the cost, specified in Schedule II of the Act.

The management believes that these estimated useful life and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use/ (disposed off).

Notes to the Standalone financial statements

for the year ended 31 March 2025 (Contd.)

4A. Property, plant and equipment (Contd.)

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reconciliation of carrying amount

Amount in ₹ Lakhs

	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Gross carrying amount									
Balance at 1 April 2023	5,653.69	123.53	10,739.90	1,84,056.53	1,210.01	1,628.75	2,566.16	391.45	2,06,370.02
Additions during the year	77.68	-	956.66	5,348.18	11.72	500.75	169.96	26.11	7,091.06
Discard/ disposals during the year	-	-	-	-	-	(126.91)	-	-	(126.91)
Balance at 31 March 2024	5,731.37	123.53	11,696.56	1,89,404.71	1,221.73	2,002.59	2,736.12	417.56	2,13,334.17
Balance at 1 April 2024	**5,731.37**	**123.53**	**11,696.56**	**1,89,404.71**	**1,221.73**	**2,002.59**	**2,736.12**	**417.56**	**2,13,334.17**
Additions during the year	**-**	**-**	**27.79**	**3,102.22**	**0.88**	**299.90**	**151.91**	**152.94**	**3,735.64**
Discard/ disposals during the year	**-**	**-**	**-**	**-**	**-**	**(73.57)**	**-**	**-**	**(73.57)**
Balance at 31 March 2025	**5,731.37**	**123.53**	**11,724.35**	**1,92,506.93**	**1,222.61**	**2,228.92**	**2,888.03**	**570.50**	**2,16,996.24**
Accumulated depreciation and amortisation									
Balance at 1 April 2023	-	10.85	3,339.98	56,030.65	846.69	871.63	1,754.03	338.51	63,192.34
Depreciation/ amortisation during the year	-	1.55	279.70	3,830.65	49.90	156.07	161.47	35.86	4,515.20
Discard/ disposals during the year	-	-	-	-	-	(111.21)	-	-	(111.21)
Balance at 31 March 2024	-	12.40	3,619.68	59,861.30	896.59	916.49	1,915.50	374.37	67,596.33
Balance at 1 April 2024	**-**	**12.40**	**3,619.68**	**59,861.30**	**896.59**	**916.49**	**1,915.50**	**374.37**	**67,596.33**
Depreciation/ amortisation during the year	**-**	**1.55**	**293.16**	**3,953.04**	**38.52**	**197.46**	**151.59**	**5.10**	**4,640.42**
Discard/ disposals during the year	**-**	**-**	**-**	**-**	**-**	**(63.44)**	**-**	**-**	**(63.44)**
Balance at 31 March 2025	**-**	**13.95**	**3,912.84**	**63,814.34**	**935.11**	**1,050.51**	**2,067.09**	**379.47**	**72,173.31**
Net carrying amount									
At 31 March 2024	5,731.37	111.13	8,076.88	1,29,543.41	325.14	1,086.10	820.62	43.19	1,45,737.84
At 31 March 2025	**5,731.37**	**109.58**	**7,811.51**	**1,28,692.59**	**287.50**	**1,178.41**	**820.94**	**191.03**	**1,44,822.93**

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

4A. Property, plant and equipment (Contd.)

Notes:

(a) Title deeds of immovable properties not held in the name of the Company:

Amount in ₹ Lakhs

	Description of the item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter or director	Property held since which date	Reason for not being held in the name of the Company
As at 31 March 2025						
Property, plant and equipment	**Freehold Land**	**518.86**	**Equal Commodeal Private Limited**	**No**	**2017-2019**	**refer note (d) below**

(b) As at 31 March 2025, Property, plant and equipment with net carrying amount of **₹ 1,37,733.16 Lakhs** (31 March 2024: ₹ 1,38,572.66 Lakhs) are subject to first charge to secure borrowings (refer note 19).

(c) Gross carrying amount includes Research and development assets (Building, Plant and equipment, Furniture and fixtures and Office equipment) of **₹ 2,830.70 Lakhs** (31 March 2024: ₹ 2,488.59 Lakhs) and net carrying amount of **₹ 1,698.58 Lakhs** (31 March 2024: ₹ 1,334.07 Lakhs). Additions to the Research and development assets during the year 2024-2025 is **₹ 342.11 Lakhs** (2023-2024: ₹ 445.29 Lakhs).

(d) The title deeds of leasehold Land are duly registered with appropriate authorities and title deeds of Freehold land amounting to **₹ 518.86 Lakhs**, which were transferred to the Company pursuant to the Scheme of Amalgamation, are in the process of transfer in the name of the Company.

(e) For contractual commitment with respect to Property, plant and equipment, refer note 35(b).

(f) The Company has not revalued its property, plant and equipment during the year ended 31 March 2025 and also during previous year ended 31 March 2024

(g) The Company has performed an assessment of its property plant and equipment for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the property plant and equipment are impaired.

4B. Capital work-in-progress

Accounting Policy

Capital work-in-progress assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital work-in-progress and are carried at cost, less any recognised impairment loss, if any. Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

Directly attributable expenditure (including finance costs relating to borrowed funds/general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Balance at the beginning of the year	**6,651.87**	9,353.11
Additions during the year	**14,749.53**	4,428.51
Capitalised during the year	**(3,756.42)**	(7,129.75)
Balance at the end of the year	**17,644.98**	6,651.87

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

4B. Capital work-in-progress (Contd.)

Notes:

(a) Capital work-in-progress ageing schedule:

Amount in ₹ Lakhs

	Amount of CWIP for a period of:				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at 31 March 2025:					
Projects in progress	**11,684.33**	**905.92**	**2,436.25**	**2,618.48**	**17,644.98**
As at 31 March 2024:					
Projects in progress	1,559.24	2,442.03	1,132.75	1,517.85	6,651.87

(b) Details of projects where activity has been suspended - **Nil** (31 March 2024: Nil)

Capital work-in-progress includes:

Expenditure incurred on addition to manufacturing facility of the Company, given below:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Balance at the beginning of the year	**316.60**	682.21
Additions during the year:		
Employee benefits expense	**15.42**	171.53
Power and fuel	**-**	0.37
Rent	**242.10**	115.93
Miscellaneous expenses (includes professional fees, inspection charges, testing charges, etc.)	**106.34**	35.30
	363.86	323.13
Less: Capitalised during the year	**(228.30)**	(688.74)
Balance at the end of the year	**452.16**	316.60

The Company has performed an assessment of its Capital work in progress for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Capital work in progress are impaired.

5. Right of use assets

Accounting Policy

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Reconciliation of carrying amount

Amount in ₹ Lakhs

	Land	Buildings	Total
Gross carrying amount			
Balance at 1 April 2023	2,706.44	188.64	2,895.08
Additions during the year	-	-	-
Discard/ disposals during the year	-	-	-
Balance at 31 March 2024	2,706.44	188.64	2,895.08
Balance at 1 April 2024	**2,706.44**	**188.64**	**2,895.08**
Additions during the year	**-**	**189.32**	**189.32**
Discard/ disposals during the year	**-**	**-**	**-**
Balance at 31 March 2025	**2,706.44**	**377.96**	**3,084.40**

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

5. Right of use assets (Contd.)

Amount in ₹ Lakhs

	Land	Buildings	Total
Accumulated amortisation			
Balance at 1 April 2023	833.51	97.24	930.75
Amortisation during the year	199.65	37.73	237.38
Discard/ disposals during the year	-	-	-
Balance at 31 March 2024	1,033.16	134.97	1,168.13
Balance at 1 April 2024	**1,033.16**	**134.97**	**1,168.13**
Amortisation during the year	**199.65**	**88.06**	**287.71**
Discard/ disposals during the year	**-**	**-**	**-**
Balance at 31 March 2025	**1,232.81**	**223.03**	**1,455.84**
Net carrying amount			
At 31 March 2024	1,673.28	53.67	1,726.95
At 31 March 2025	**1,473.63**	**154.93**	**1,628.56**

6. Intangible assets

Accounting Policy

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortized over their estimated useful life using straight line method which reflects the pattern in which the economic benefits are expected to be consumed and have a useful life of 3 to 5 years.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Reconciliation of carrying amount of Computer software

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Gross carrying amount		
Balance at the beginning of the year	**412.85**	374.16
Additions during the year	**20.78**	38.69
Discard/ disposals during the year	**-**	-
Balance at the end of the year	**433.63**	412.85
Accumulated amortisation		
Balance at the beginning of the year	**330.63**	308.43
Amortisation during the year	**33.38**	22.20
Discard/ disposals during the year	**-**	-
Balance at the end of the year	**364.01**	330.63
Net carrying amount	**69.62**	82.22

Intangible assets under development - ₹ Nil

(i) The Company has not revalued its intangible asssets during the year ended 31 March 2025 and also during previous year ended 31 March 2024.

(ii) The Company has performed an assessment of its Intangible assets for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Capital work in progress are impaired.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets

Accounting Policy

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under Ind AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are 'debt instruments'.

Initial Recognition and Subsequent Recognition

(i) Amortised Cost

Financial assets are subsequently measured at amortised cost using the effective interest method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets classified at amortised cost comprise trade receivables, loans, government securities etc.

(ii) Fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

On initial recognition, the Company has an irrevocable option to present changes in the fair value of equity investments not held for trading in OCI. This option is made on an investment-by-investment basis.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in other Equity. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other Equity is directly reclassified to retained earnings.

(iii) Fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Disclosure related to Fair value measurement of financial instruments (refer note 40).

(iv) Investments in subsidiaries are carried at cost and tested for impairment in accordance with Ind AS 36 'Impairment of Assets'.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Contd.)

De-recognition of Financial Assets:

The Company derecognises financial assets on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial assets and substantially all the risks and rewards of ownership to another entity or when it retains contractual rights to retain contractual cash flows from asset, but assumes a contractual obligation to pay the cash flows to one or more recipient.

Impairment of Financial Assets

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment loss or gain in the statement of profit and loss.

Investments

A. Non-current investments

(All the investments are fully paid, unless otherwise stated)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Investments in subsidiary carried at cost		
97,500 (31 March 2024: 16,250) equity shares of Combe Projects Private Limited, a wholly-owned subsidiary (face value - ₹ 10 each)	**10.30**	2.18
45,00,000 (31 March 2024: 10,000) equity shares of Himadri Clean Energy Limited, a wholly-owned subsidiary (face value - ₹ 10 each)	**450.00**	1.00
4,861 (31 March 2024: Nil) equity shares of Invati Creations Private Limited (face value - ₹ 10 each) (refer note e)	**4,516.13**	-
	4,976.43	3.18
7,07,83,680 (31 March 2024: 7,07,83,680) equity shares of AAT Global Limited, a wholly-owned subsidiary (face value - HKD 1 each)	**5,244.64**	5,244.64
Less: Impairment of investment in equity shares of AAT Global Limited, a wholly-owned subsidiary (refer note below)	**(5,244.64)**	(5,244.64)
	-	-
	4,976.43	3.18

The Company had made investments in equity shares and given loans and advances to its wholly owned subsidiary, AAT Global Limited ('AAT'), Hongkong. AAT, in turn, invested in equity shares and had given loans and advances to its subsidiary, Shandong Dawn Himadri Chemical Industry Limited ('SDHCIL'), China. There had been shortfall in the business performance of both AAT and SDHCIL as compared with budgets and further changes in the technology, market, economic environment have had adverse impact on the value of the investments and recoverability of loans and advances given. Due to the on-going size of operations and cost-benefit trend, both AAT and SDHCIL had been incurring losses and their net worth are fully eroded. Accordingly, the Company's investments in equity shares of AAT, amounting to ₹ 5,244.64 Lakhs, had been fully impaired and loans and advances given to AAT, amounting to ₹ 7,554.01 Lakhs, had been fully provided during the year ended 31 March 2020.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Investments carried at fair value through other comprehensive income (FVOCI)		
Equity instruments		
Quoted		
3,34,900 (31 March 2024: 3,34,900) equity shares of Himadri Credit & Finance Limited (face value - ₹ 10 each)	**1,202.29**	944.42
8,000 (31 March 2024: 8,000) equity shares of Transchem Limited (face value - ₹ 10 each)	**2.65**	2.24
	1,204.94	946.66

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Contd.)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Unquoted		
17,000 (31 March 2024: 17,000) equity shares of Himadri e-Carbon Limited (face value - ₹10 each)	**2.67**	1.87
22 (31 March 2024: 22) equity shares of Modern Hi-Rise Private Limited (face value - ₹10 each)	**28.08**	20.19
1 (31 March 2024: 1) equity share of Birla Tyres Limited (face value - ₹10 each)#	**0.00**	0.00
	30.75	22.06
Preference shares (unquoted)		
12,48,774 (31 March 2024: 12,48,774) 1% Non-cumulative optionally convertible preference shares of Modern Hi-Rise Private Limited (face value - ₹10 each) (refer note a)	**18,257.08**	18,257.08
	18,257.08	18,257.08
Investments carried at fair value through profit or loss (FVTPL)		
Preference shares (unquoted)		
1 (31 March 2024: 1) 8% redeemable preferance share of Dalmia Bharat Refractories Limited (face value - ₹10 each) (refer note g)#	**0.00**	0.00
42,41,143 (31 March 2024: 42,41,143) Class A Preference shares of Sicona Battery Technologies Pty Ltd (face value - AUD 1 each)	**5,543.44**	5,611.01
	5,543.44	5,611.01
Compulsorily Convertible Notes (CCN)		
9,00,000 (31 March 2024: Nil) Unsecured Compulsorily Convertible Notes (CCN) of Sicona Battery Technologies Pty Ltd (face value - AUD 1 each) (refer note f)	**476.26**	-
Debentures (unquoted)		
49,99,999 (31 March 2024: 49,99,999) 0.01% Secured Optionally Convertible Debentures (OCDs) of Birla Tyres Limited (face value - ₹10 each) (refer note b)	**508.37**	718.50
1,50,00,000 (31 March 2024: 1,50,00,000) 0.01% Secured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (face value - ₹10 each) (refer note c)	**1,473.80**	1,465.50
11,80,00,000 (31 March 2024: 11,80,00,000) 0.01% Unsecured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (face value - ₹10 each) (refer note c)	**11,581.20**	11,517.30
	14,039.63	13,701.30
Non convertible debenture (NCDs) (unquoted)		
17,94,00,000 (31 March 2024: 8,94,00,000) 0.001% Secured, redeemable Non-Convertible Debentures ("NCDs") of Dalmia Bharat Refractories Limited (face value - ₹10 each) (refer note d)	**18,724.50**	9,133.80
Government securities (unquoted) carried at amortised cost		
Kisan Vikas Patra (deposited with sales tax authorities)	**0.07**	0.07
	62,776.84	47,675.16
Aggregate book value of quoted investments	**1,204.94**	946.66
Aggregate market value of quoted investments	**1,204.94**	946.66
Aggregate value of unquoted investments (net of impairment)	**61,571.90**	46,728.50
Aggregate amount of impairment in book value of unquoted investments	**(5,244.64)**	(5,244.64)
Investment carried at amortised cost	**4,976.50**	3.25
Investment carried at fair value through profit or loss (FVTPL)	**38,307.57**	28,446.11
Investment carried at fair value through other comprehensive income (FVOCI)	**19,492.77**	19,225.80

Below rounding off norms of the Company

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Contd.)

(a) Non-cumulative optionally convertible Preference shares (OCPS) of Modern HI-Rise Private Limited (MHPL) are convertible/ redeemable at any time before the expiry of 20 years from the date of allotment (i.e. 1 March 2019) at the option of the Issuer. Each OCPS, if not opted for conversion shall be redeemable at value equal to fair market value (post considering the market value of underlying assets) of the proportionate equity shares of the Issuer (if it were converted) as on 1 June 2018 (i.e. amalgamation appointed dated). The outstanding OCPS, if not redeemed, would be converted into equity shares at any time at the option of the Issuer, but not later than 20 years from the date of allotment at the option of the Issuer in a manner that the Company would obtain same proportion of equity shareholding (ownership) of the Issuer as on 1 June 2018 i.e. 7.7% of the total outstanding as on 1 June 2018 and would be subject to any dilution thereof pursuant to fresh allotment by MHPL. In case conversion is made by the Issuer, the OCPS will be converted into 6,253 equity shares (i.e. fixed number of equity shares) whenever converted.

(b) Optionally Convertible Debentures (OCDs) issued by Birla Tyres Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

(c) Optionally Convertible Debentures (OCDs) issued by Himadri Birla Tyre Manufacturer Private Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

(d) Redeemable Non-Convertible Debentures (NCDs) issued by Dalmia Bharat Refractories Limited (Issuer) are redeemable on expiry of 5 years from the date of Allotment unless mutually extended by the Issuer and Debenture Holder. However, both parties may mutually agree for part redemption of debentures. NCDs shall be subject to such other terms and conditions (including redemption premium, if any) as may be agreed between the Issuer and Debenture Holder.

(e) The Company on 17 May 2024, has acquired 40% paid-up equity share capital of Invati Creations Private Limited ("Target Company"), for a total purchase consideration of ₹ 4,516.13 Lakhs. The purchase consideration has been discharged in the following manner –

i. ₹ 1,999.36 Lakhs has been paid in cash against fresh issue of 2,152 equity shares of ₹ 10.00 each constituting 17.71% stake, of the Target Company; and

ii. ₹ 2,516.77 Lakhs payable for acquiring 2,709 equity shares of ₹ 10.00 each, constituting 22.29% stake, of the Target Company from the existing shareholders of the Target Company for consideration other than cash has been settled by way of issue and allotment of 7,96,446 equity shares of the Company having face value of ₹ 1 each, at a price of ₹ 316.00 per equity share (including a premium of ₹ 315.00 per equity share) to the existing shareholders of the Target Company.

This voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right combined with 40% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: ""Consolidated Financial Statements."" Consequently, the management of the Company has decided to consider the investment in ICPL as investment in subsidiary Company.

(f) The Compulsorily Convertible Notes (CCNs) issued by Sicona Battery Technologies Pty Ltd (Issuer) are convertible into Ordinary Shares as per the specific terms prescribed under the Compulsorily Convertible Note Agreement entered into the Company and the Issuer as on September 2024. The CCNs shall be converted into Ordinary Shares of the Issuer as per the time frame outlined under Compulsorily Convertible Note Agreement but not later than 20th June 2026.

(g) 8% redeemable preferance share of Dalmia Bharat Refractories Limited was issued and allotted against discharge of purchase consideration for demerger of tyre undertaking of Birla Tyres Limited, in accordance with the approved resolution plan(as defined in schedule 8 scheme of demerger therein) and NCLT order dated 19 October 2023, w.e.f 6 May 2022.

These redemable preference shares are redeemable at the option of redeemable preference shareholder anytime within 5 years at par. These redemable preference shares carry dividend @8% p.a. on its face value of non-cumulative basis.

Information about the Company's fair value measurement and exposure to credit and market risks are disclosed in note 40 and 41.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Contd.)

B. Investments designated at fair value

Amount in ₹ Lakhs

	Fair value as at 31 March 2025	Dividend income recognised during 2024-2025	Fair value as at 31 March 2024	Dividend income recognised during 2023-2024	Fair value as at 1 April 2023
Fair value through other comprehensive income					
Equity shares					
Investment in Himadri Credit & Finance Limited	**1,202.29**	**-**	944.42	-	606.17
Investment in Transchem Limited	**2.65**	**-**	2.24	-	1.51
Investment in Modern Hi-Rise Private Limited	**28.08**	**-**	20.19	-	5.90
Investment in Himadri e-Carbon Limited	**2.67**	**-**	1.87	-	2.06
Investment in Birla Tyres Limited#	**0.00**	**-**	0.00	-	-
Preference shares					
Investment in Modern Hi-Rise Private Limited	**18,257.08**	**-**	18,257.08	-	12,575.16
Fair value through profit or loss (FVTPL)					
Preference shares					
Investment in Dalmia Bharat Refractories Limited#	**0.00**	**-**	0.00	-	-
Investment in Sicona Battery Technologies Pty Ltd	**5,543.44**	**-**	5,611.01	-	-
Compulsorily Convertible Notes (CCN)					
Investment in Sicona Battery Technologies Pty Ltd	**476.26**	**-**	-	-	-
Optionally convertible debentures (OCDs)					
Investment in Birla Tyres Limited	**508.37**	**-**	718.50	-	-
Investment in Himadri Birla Tyre Manufacturer Private Limited	**13,055.00**	**-**	12,982.80	-	-
Non convertible debentures (NCDs)					
Investment in Dalmia Bharat Refractories Limited	**18,724.50**	**-**	9,133.80	-	-
	57,800.34	**-**	**47,671.91**	-	**13,190.80**

#Below rounding off norms of the Company

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

8. Trade receivables

Accounting Policy

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less loss allowance, if any.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Trade receivable considered good - secured	**2,595.71**	1,900.62
Trade receivable considered good - unsecured	**62,092.86**	65,582.77
	64,688.57	67,483.39
Less: Loss allowance	**(900.00)**	(900.00)
	63,788.57	66,583.39
Non-current	**1,018.41**	1,018.41
Current	**62,770.16**	65,564.98
	63,788.57	66,583.39
(a) Movement in loss allowance		
Balance as at beginning of the year	**900.00**	717.01
Change in loss allowances during the year	**-**	182.99
Balance as at the end of the year	**900.00**	900.00

(b) Trade receivables ageing schedule is as follows:

Amount in ₹ Lakhs

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
(i) Undisputed Trade receivables:							
- considered good	**53,741.36**	**9,007.10**	**284.68**	**144.79**	**3.73**	**158.28**	**63,339.94**
- which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(ii) Disputed Trade receivables:							
- considered good	**-**	**-**	**-**	**-**	**-**	**1,018.41**	**1,018.41**
- which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- credit impaired	**-**	**-**	**-**	**-**	**41.22**	**289.00**	**330.22**
Total	**53,741.36**	**9,007.10**	**284.68**	**144.79**	**44.95**	**1,465.69**	**64,688.57**

Amount in ₹ Lakhs

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024							
(i) Undisputed Trade receivables:							
- considered good	54,164.82	11,452.80	207.89	133.14	28.11	148.00	66,134.76
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

8. Trade receivables (Contd.)

Amount in ₹ Lakhs

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(ii) Disputed Trade receivables:							
- considered good	-	-	-	-	-	1,018.41	1,018.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	41.22	-	289.00	330.22
Total	54,164.82	11,452.80	207.89	174.36	28.11	1,455.41	67,483.39

(c) For trade receivables given as security for borrowings, refer note 19.

(d) Non-current trade receivables represent an amount of **₹ 1,018.41 Lakhs** (31 March 2024: ₹ 1,018.41 Lakhs) due from a customer which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained by the Company, the Company continues to believe that the outcome of the said proceedings would be in favour of the Company.

(e) No trade receivables are due from directors of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(f) Information about the Company's exposure to credit, market and currency risks, and loss allowances related to trade receivables are disclosed in note 41.

9. Cash and cash equivalents

Accounting Policy

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, and have maturities of less than 3 months from the date of such deposits, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Cash on hand	**48.84**	50.86
Balances with banks		
- On current accounts	**2,917.00**	20,624.69
- On cash credit accounts	**1,143.55**	246.72
- On EEFC accounts	**693.38**	17.68
- On deposit account (with original maturities less than 3 months) [refer note below]	**10,500.00**	-
	15,302.77	20,939.95

Balances with banks on current accounts includes earmarked balances of **₹ 39.39 Lakhs** (31 March 2024: ₹ 142.19 Lakhs) lying in CSR account.

Bank deposits of **₹ Nil** (31 March 2024: ₹ Nil) have been pledged with the banks against various credit facilities availed by the Company.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

10. Bank balances other than cash and cash equivalents

Accounting Policy

The Company considers balances and deposits with banks having maturity of more than three months but less than 12 months to be bank balances other than Cash & Cash Equivalents.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date [refer note (a) below]	**51,616.07**	51,614.45
Earmarked balances with banks		
- Earmarked balances with banks for unpaid dividend accounts	**54.30**	38.01
- Other deposits [refer note (b) below]	**0.27**	0.27
	51,670.64	51,652.73

(a) Bank deposits of **₹ 51,109.18 Lakhs** (31 March 2024: ₹ 51,110.68 Lakhs) have been pledged with various banks against various credit facilities availed by the Company.

(b) Earmarked balances with banks of **₹ 0.27 lakh** (31 March 2024: ₹ 0.27 lakh) is held as security against various credit facilities availed by the Company.

11. Loans

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Non-current		
Loan given		
- to wholly owned subsidiaries (including step-down subsidiaries)	**7,388.98**	6,403.98
	7,388.98	6,403.98
Less: Loss allowance	**(6,298.98)**	(6,298.98)
	1,090.00	105.00
Current		
Loan given		
- to employees	**69.88**	16.27
- to related party	**113.01**	110.21
	182.89	126.48
	1,272.89	231.48
Loan receivables considered good - secured	**-**	-
Loan receivables considered good - unsecured	**1,272.89**	231.48
Loan receivables which have significant increase in credit risk	**6,298.98**	6,298.98
Loan receivables - loss allowance	**(6,298.98)**	(6,298.98)
	1,272.89	231.48

A. Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Loans and advances in the nature of loan to subsidiaries		
(i) AAT Global Limited		
Amount outstanding as at year ended	**6,298.98**	6,298.98
Less: loss allowances	**(6,298.98)**	(6,298.98)
Maximum balance of loan outstanding during the year	**6,298.98**	6,298.98
Loan given for business purpose		
Percentage of total loan	**-**	-
(ii) Combe Projects Pvt Ltd		
Amount outstanding as at year ended	**-**	100.00
Less: loss allowances	**-**	-
Maximum balance of loan outstanding during the year	**100.00**	100.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

11. Loans (Contd.)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Loan given for business purpose		
Percentage of total loan	**0%**	43%
(iii) Himadri Clean Energy Limited		
Amount outstanding as at year ended	**270.00**	5.00
Less: loss allowances	**-**	-
Maximum balance of loan outstanding during the year	**270.00**	5.00
Loan given for business purpose		
Percentage of total loan	**21%**	2%
(iv) Himadri Green Innovation Technologies Limited		
Amount outstanding as at year ended	**570.00**	-
Less: loss allowances	**-**	-
Maximum balance of loan outstanding during the year	**570.00**	-
Loan given for business purpose		
Percentage of total loan	**45%**	0%
(v) Himadri Future Material Technology Limited		
Amount outstanding as at year ended	**250.00**	-
Less: loss allowances	**-**	-
Maximum balance of loan outstanding during the year	**250.00**	-
Loan given for business purpose		
Percentage of total loan	**20%**	0%
(b) Loans and advances in the nature of loan to KMPs		
Amount outstanding as at year ended	**113.01**	110.21
Less: loss allowances	**-**	-
Maximum balance of loan outstanding during the year	**116.20**	110.21
Loan given		
Percentage of total loan	**9%**	48%

(c) **Details of investments:** Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 7.

B. Information about the Company's exposure to credit and market risks are disclosed in note 41.

12. Other financial assets

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Non-current		
Security and other deposits	**6,096.92**	2,385.97
Bank deposits due to mature after 12 months of the reporting date	**0.46**	0.46
Interest accrued on bank deposits	**0.08**	0.05
Interest receivable	**-**	0.09
	6,097.46	2,386.57
Current		
Receivable from parties other than related parties		
Security and other deposits	**535.16**	535.16
Interest accrued on bank deposits	**981.62**	1,678.45
Insurance claim receivable	**71.15**	-
Export incentive receivable	**24.92**	1.68
Derivatives	**-**	101.39
Government grants receivable	**557.06**	557.06
Other receivable	**157.64**	7.59
	2,327.55	2,881.33
	8,425.01	5,267.90

Bank deposits of ₹ **0.46 lakh** (31 March 2024: ₹ 0.46 lakh) have been pledged with various banks against various credit facilities availed by the Company.

Information about the Company's exposure to credit and market risks are disclosed in note 41.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

13. Non-current tax assets (net)

Accounting policy (refer note 33)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Advance income tax [net of provision for income tax **₹ 31,138.41 Lakhs** (31 March 2024: ₹ 30,725.18 Lakhs)]	**881.39**	733.06
	881.39	733.06

14. Other non-current assets

(Unsecured, considered good)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Capital advances*		
Other than related party	**3,085.25**	1,428.06
Deposits with government authorities (Custom, excise etc.)	**950.07**	893.44
Prepaid expenses	**41.55**	-
	4,076.87	2,321.50

* Represents advances paid towards acquisition of Property, plant and equipment.

15. Inventories

Accounting Policy

(Valued at the lower of cost and net realisable value)

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out (FIFO) cost basis. Cost of raw material and traded goods comprises of Cost of purchases and also include all other costs incurred in bringing the inventories to their present location and condition and are net of rebates and discounts. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. The comparison of cost and net realisable value is made on an item-by-item basis.

Raw materials and supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Raw materials [including goods-in-transit **₹ 2,121.54 Lakhs** (31 March 2024: ₹ 2,241.44 Lakhs)]	**21,688.00**	34,421.08
Work-in-progress	**7,823.56**	8,476.32
Finished goods	**24,562.11**	23,408.16
Packing materials	**690.91**	830.25
Stores and spares	**3,827.59**	3,472.82
	58,592.17	70,608.63

Carrying amount of inventories pledged as securities for borrowings (refer note 19).

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

16. Other current assets

(Unsecured considered good unless otherwise stated)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Parties other than related parties		
Advances to suppliers		
Unsecured, considered good [refer note (b) below]	**14,062.97**	12,214.24
Unsecured, considered doubtful	**216.75**	216.75
	14,279.72	12,430.99
Less: Allowances for unsecured advances [refer note (a) below]	**(216.75)**	(216.75)
	14,062.97	12,214.24
Others		
Balance with government authorities	**4,838.47**	2,204.12
Others (prepaid expenses and other receivables)	**811.64**	1,169.27
To related party		
Advance for supplies: AAT Global Limited (refer note 39)	**2,804.71**	1,255.03
Less: Allowances for advances [refer note (a) below]	**(1,255.03)**	(1,255.03)
	1,549.68	-
	21,262.76	15,587.63

(a) Movement in allowances for unsecured advances

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Balance as at beginning of the year	**1,471.78**	1,471.78
Changes in allowances for advances during the year	**-**	-
Balance as at the end of the year	**1,471.78**	1,471.78

(b) Advances to suppliers includes **₹ 206.75 Lakhs** (31 March 2024: ₹ 833.93 Lakhs) as advance given in earlier years to a supplier against supply of raw materials which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained, the Company continues to believe that the outcome of the said proceedings would be in favour of the Company.

(c) For financial instrument details refer note 40 & for details of financial risk management refer note 41.

17. Equity share capital

Accounting Policy

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Authorised		
70,01,00,000 (31 March 2024: 70,01,00,000) equity shares of ₹ 1 each	**7,001.00**	7,001.00
Issued, subscribed and fully paid-up		
49,37,82,224 (31 March 2024: 49,25,94,573) equity shares of ₹ 1 each	**4,937.82**	4,925.95
	4,937.82	4,925.95

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

17. Equity share capital (Contd.)

A. Reconciliation of equity shares (ordinary shares) outstanding at the beginning and at the end of the reporting year

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
At the beginning of the year	**49,25,94,573**	**4,925.95**	43,27,07,198	4,327.07
Add: Equity shares issued on exercise of employee stock option (refer note 38)	**2,31,205**	**2.31**	6,37,375	6.38
Add: Equity shares issued against conversion of warrants (refer note H)	**1,60,000**	**1.60**	5,92,50,000	592.50
Add: Equity shares issued in consideration other than cash (refer note G)	**7,96,446**	**7.96**	-	-
At the end of the year	**49,37,82,224**	**4,937.82**	49,25,94,573	4,925.95

B. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of ₹ 1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Equity shares held by Investor Education and Protection Fund do not have voting rights.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

C. Equity shares held by upstream associates (shareholders of the Company) having significant influence over the Company

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
Modern Hi-Rise Private Limited	**18,54,07,559**	**1,854.08**	18,25,99,607	1,826.00

D. Details of equity shareholders holding more than 5% shares of fully paid up equity shares of the aggregate equity shares of the Company

	31 March 2025		31 March 2024	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of ₹ 1 each fully paid up held by:				
Modern Hi-Rise Private Limited	**18,54,07,559**	**37.55%**	18,25,99,607	37.07%
Anurag Choudhary	**3,73,17,676**	**7.56%**	3,30,00,000	6.70%

E. Shareholding of promoters are as follows:

	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2025					
Equity shares of ₹ 1 each fully paid up held by:					
Modern Hi-Rise Private Limited	**18,25,99,607**	**28,07,952.00**	**18,54,07,559**	**37.55%**	**1.54%**
Himadri Credit & Finance Limited *	**14,84,067**	**-**	**14,84,067**	**0.30%**	**0.00%**

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

17. Equity share capital (Contd.)

	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
Anurag Choudhary	**3,30,00,000**	**43,17,676.00**	**3,73,17,676**	**7.56%**	**13.08%**
Shyam Sundar Choudhary	**82,50,000**	**-**	**82,50,000**	**1.67%**	**0.00%**
Shikha Choudhary	**37,00,000**	**-**	**37,00,000**	**0.75%**	**0.00%**
Sheela Devi Choudhary	**30,00,000**	**-**	**30,00,000**	**0.61%**	**0.00%**
Amit Choudhary *	**1,37,50,000**	**-**	**1,37,50,000**	**2.78%**	**0.00%**
Rinku Choudhary	**8,50,000**	**-**	**8,50,000**	**0.17%**	**0.00%**
Anooshka C Bathwal	**11,00,000**	**-**	**11,00,000**	**0.22%**	**0.00%**
	24,77,33,674	**71,25,628**	**25,48,59,302**	**51.61%**	

	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2024					
Equity shares of Re 1 each fully paid up held by:					
Modern Hi-Rise Private Limited	18,25,99,607	-	18,25,99,607	37.07%	-
Himadri Credit & Finance Limited	14,84,067	-	14,84,067	0.31%	-
Anurag Choudhary	1,33,00,000	1,97,00,000	3,30,00,000	6.70%	148%
Shyam Sundar Choudhary	-	82,50,000	82,50,000	1.67%	100%
Shikha Choudhary	-	37,00,000	37,00,000	0.75%	100%
Sheela Devi Choudhary	-	30,00,000	30,00,000	0.61%	100%
Amit Choudhary	-	1,37,50,000	1,37,50,000	2.79%	100%
Rinku Choudhary	-	8,50,000	8,50,000	0.17%	100%
Anooshka C Bathwal	-	11,00,000	11,00,000	0.22%	100%
	19,73,83,674	5,03,50,000	24,77,33,674	50.29%	

* Change in percentage is due to increase in equity share capital of the Company during the year.

F. Shares reserved for issue under options

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
Under Employee Stock Option Plan, 2016 (ESOP 2016) equity shares of ₹ 1 each (refer note 38)	**2,05,244**	**2.05**	4,36,449	4.36

Information of stock options granted to employees are disclosed in note 38 regarding share based payments.

G. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Pursuant to the approval of the Board at its meeting held on 20 March 2024 and approval of the Members of the Company obtained via special resolution passed through Postal Ballot on 19 April 2024, the Company, on 17 May 2024 had allotted 7,96,446 equity shares of the Company having face value of ₹ 1 each, at a price of ₹ 316.00 per equity share (including a premium of ₹ 315.00) per equity share on a preferential basis for consideration other than cash towards payment of ₹ 2,516.77 Lakhs ("Purchase Consideration"), payable by the Company to the Allottees, as consideration for acquisition of 2,709 equity shares of ₹ 10 each of Invati Creations Private Limited ("Target Company") (CIN: U74999WB2016PTC217564), representing 22.29% paid-up equity capital of the Target Company held by the Allottees.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

17. Equity share capital (Contd.)

H. Equity Shares issued on conversion of warrants

During the year, the Company had issued and allotted 1,08,17,000 warrants, each convertible into one equity share of ₹ 1 each, on Preferential allotment basis at an issue price of ₹ 316.00 per warrant, to the Promoters and certain other identified persons, upon receipt of 25% of the issue price (i.e. ₹ 79.00 per warrant) as warrant subscription money. Balance 75% of the issue price (i.e. ₹ 237.00 per warrant) shall be payable within 18 months from the date of allotment i.e.14 May 2024, at the time of exercising the option to apply for fully paid-up equity share of ₹ 1 each of the Company, against each warrant held by the warrant holder.

Subsequently the Company upon receipt of balance 75% of the issue price (i.e., ₹ 237.00 per warrant) for 1,60,000 warrants, has allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder. As a result of such allotment, the paid-up equity share capital of the Company had increased by 1,60,000 equity shares of face value of ₹ 1 each.

For the remaining 1,06,57,000 warrants, the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

I. Distribution made and proposed dividend on equity shares

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended on 31 March 2024: ₹ 0.50 per share (31 March 2023: ₹ 0.25 per share)	**2,467.58**	1,081.95
Dividend distribution tax on final dividend	**-**	-
Total dividend paid	**2,467.58**	1,081.95
Proposed dividend on equity shares not recognised as liability		
Final dividend for the year ended on 31 March 2025: **₹ 0.60 per share** (31 March 2024: ₹ 0.50 per share)	**2,963.10**	2,463.59
Dividend distribution tax on final dividend	**-**	-
Total dividend proposed for the year	**2,963.10**	2,463.59

Proposed dividend on equity shares is subject to the approval of the equity shareholders of the Company at the Annual General Meeting and not recognised as a liability as at Standalone Balance Sheet date.

18. Other equity

Refer Standalone statement of changes in equity for detailed movement in other equity balance.

A. Movement in other equity balance

Amount in ₹ Lakhs

Components	1 April 2023	Movement during the year	31 March 2024	Movement during the year	31 March 2025
Capital reserve	1,280.50	-	1,280.50	**-**	**1,280.50**
Securities premium	54,970.30	41,788.91	96,759.21	**3,377.81**	**1,00,137.02**
General reserve	18,955.61	-	18,955.61	**-**	**18,955.61**
Share option outstanding reserve*	268.21	(145.11)	123.10	**(47.67)**	**75.43**
Money received against share warrants	10,368.75	(10,368.75)	-	**8,419.03**	**8,419.03**
Retained earnings	1,23,885.35	39,978.90	1,63,864.25	**53,262.24**	**2,17,126.49**
Items of other comprehensive income:					
- Equity instruments through Other Comprehensive income	7,504.31	4,708.06	12,212.37	**1,608.28**	**13,820.65**
	2,17,233.03	75,962.01	2,93,195.04	**66,619.69**	**3,59,814.73**

* Disclosure of share based payments (refer note 38).

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

18. Other equity (Contd.)

B. Other comprehensive income accumulated in other equity (net of income-tax)

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

	Amount in ₹ Lakhs
	Equity instruments through other comprehensive income
As at 1 April 2023	7,504.31
Equity instruments through other comprehensive income - net change in fair value	6,035.00
Tax on above items	(1,326.94)
As at 31 March 2024	12,212.37
Equity instruments through other comprehensive income - net change in fair value	**266.98**
Tax on above items (refer note below)	**1,341.30**
As at 31 March 2025	**13,820.65**

Pursuant to amendment in The Finance Act, 2024, resulting in withdrawal of indexation benefit on long term capital gain & consequential change in capital gain tax rate, the Company has written back deferred tax liability amounting to **₹ 1,381.00 Lakhs**. It has been recorded under tax expense under other comprehensive income in the standalone statement of profit & loss for the year ended 31 March 2025.

19. Financial Liabilities

Accounting Policy

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability. They are measured at amortised cost using the effective interest method.

Financial liabilities are measured at fair value through profit and loss (FVTPL) when it is either held for trading or it is designated as at FVTPL.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired.

Disclosure related to Fair value measurement of financial instruments (refer Note 40).

Borrowings

Amount in ₹ Lakhs

	Interest	Maturity	31 March 2025	31 March 2024
Non-current borrowings				
Secured				
Term loans				
Rupee term loan (secured)	refer note [A(i)] below			
From banks			**-**	3,117.30
Loan against vehicles and equipments (secured)	7%-8.3%	2025-2028	**286.48**	354.48
			286.48	3,471.78
Less: Current maturities of non-current borrowings			**(66.20)**	(1,318.00)
			220.28	2,153.78

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

19. Financial Liabilities (Contd.)

Amount in ₹ Lakhs

	Interest	Maturity	31 March 2025	31 March 2024
Current borrowings				
Secured				
From banks (repayable on demand)				
Rupee loans			**2,500.00**	27,872.04
Foreign currency			**27,993.53**	28,698.15
			30,493.53	56,570.19
Current maturities of non-current borrowings			**66.20**	1,318.00
			30,559.73	57,888.19

Information about the Company's exposure to fair value measurement, interest rate, currency and liquidity risks related to borrowings are disclosed in note 40 and 41.

A. Terms of repayment/ conversion/ redemption

Term loans

Amount in ₹ Lakhs

Name of the lender	Interest	Repayment schedule	31 March 2025	31 March 2024
(i) Rupee term loans				
Kotak Mahindra Bank Limited [**₹ Nil** (31 March 2024: ₹ 3,125.00 Lakhs)]	-	-	**-**	3,117.30

(ii) Loans against vehicles and equipments are for a period of three to seven years and repayable by way of equated monthly instalments.

B. Details of security

(i) Rupee term loans are secured by way of pari passu first charge on the movable fixed assets and equitable mortgage of the Mahistikry Unit of the Company situated in West Bengal. However the entire loan has been repaid during the year.

(ii) Loans against vehicles and equipments are secured by way of hypothecation of the respective underlying asset financed.

(iii) Rupee loan from Axis Bank Ltd amounting to **₹ Nil** (31 March 2024: ₹ 19,240.00 Lakhs) is secured by way of pari passu first charge on the movable fixed assets, both present and future, of the Company, and current borrowings from other banks aggregating to **₹ 30,493.53 Lakhs** (31 March 2024: ₹ 37,330.19 Lakhs) are secured by hypothecation of currents assets of the Company both present and future on pari passu basis.

20. Trade payables

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Company and are unpaid at the reporting period. The amounts are unsecured and usually paid within time limits as contracted. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months after the reporting period.

They are recognised initially at their transactional value which represents the fair value and subsequently measured at amortised cost using the effective interest method wherever applicable.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Trade payable for goods and services		
- total outstanding dues of micro enterprises and small enterprises (refer note (b) below)	**496.70**	292.03

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

20. Trade payables (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
- total outstanding dues of creditors other than micro enterprises and small enterprises	**22,924.29**	53,471.21
Acceptances from banks	**57.78**	729.20
	23,478.77	54,492.44
Non-current	**-**	-
Current	**23,478.77**	54,492.44
	23,478.77	54,492.44

(a) Trade payables ageing:

Amount in ₹ Lakhs

	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025					
(i) MSME	**496.70**	**-**	**-**	**-**	**496.70**
(ii) Others	**12,327.15**	**18.03**	**3,436.97**	**1,353.93**	**17,136.08**
(iii) Disputed dues- MSME	**-**	**-**	**-**	**-**	**-**
(iv) Disputed dues- others	**-**	**-**	**-**	**-**	**-**
Total	**12,823.85**	**18.03**	**3,436.97**	**1,353.93**	**17,632.78**
Add: Accrued Liabilities					**5,788.21**
Add: Acceptances form banks					**57.78**
					23,478.77

Amount in ₹ Lakhs

	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024					
(i) MSME	292.03	-	-	-	292.03
(ii) Others	42,094.87	3,495.79	23.16	1,345.10	46,958.92
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
Total	42,386.90	3,495.79	23.16	1,345.10	47,250.95
Add: Accrued Liabilities					6,512.29
Add: Acceptances form banks					729.20
					54,492.44

(b) Due to micro enterprises and medium enterprises

The disclosure pursuant to the Micro, Small and Medium enterprise development Act, 2006 (MSMED Act) for dues to Micro enterprises and Small enterprises as at 31 March 2025 and 31 March 2024 are as under

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(i) The amounts remaining unpaid to micro and small suppliers as at the end of each accounting year:		
- Principal	**496.70**	292.03
- Interest	**-**	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

20. Trade payables (Contd.)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

(c) Information about the Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 41.

21. Derivatives

Accounting Policy

Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, cross currency swap and option contracts to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately, if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Standalone Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Mark to market on derivative contracts	**423.83**	-
	423.83	-
Non-current	**-**	-
Current	**423.83**	-
	423.83	-

Information about the Company's exposure to currency risks related to derivatives are disclosed in note 41.

22. Other financial liabilities

Accounting policy (refer note 19)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Non-current		
Security deposits	**25.77**	25.77
	25.77	25.77
Current		
Interest accrued but not due on borrowings	**443.94**	407.50
Unclaimed dividend	**54.30**	38.01
Liability for capital goods	**1,009.45**	767.87

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

22. Other financial liabilities (Contd.)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Others (including Employee related liabilities, deferred income and Security deposits)	**1,866.36**	1,302.45
	3,374.05	2,515.83

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

(b) Information about the Company's exposure to currency and liquidity risks related to the above financial liabilities are disclosed in note 41.

23. Other current liabilities

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Statutory dues (including provident fund, tax deducted at source, goods and services tax and others)	**385.42**	369.55
Contract Liabilities		
- Advance from customers	**329.98**	1,368.00
	715.40	1,737.55

24. Provisions

Accounting Policy

(a) Employee benefits - refer note 30

(b) Other Provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

The amortisation or "unwinding" of the discount applied in establishing the provision is charged to the income statement in each accounting period. The amortisation of the discount is shown within finance costs in the Statement of profit or loss.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Non-current		
Net defined benefit liability - Gratuity [refer note (B) below]	**588.17**	476.29
Liability for compensated absences [refer note (C) below]	**442.58**	345.49
Provision for litigation [refer note (C) below]	**78.42**	78.42
	1,109.17	900.20
Current		
Liability for compensated absences [refer note (C) below]	**44.84**	110.38
	44.84	110.38

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

The Company has clasified the various benefits provided to employees as under:

A. Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident and Pension Fund and Employee State Insurance ('ESI') which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are recognised in the Standalone Statement of Profit and Loss as they accrue.

The expense for defined contribution plans amounts to ₹ **405.59 Lakhs** (31 March 2024: ₹ 371.60 Lakhs). Out of these, ₹ **394.83 Lakhs** (31 March 2024: ₹ 358.06 Lakhs) pertains to provident fund plan and ₹ **10.76 Lakhs** (31 March 2024: ₹ 13.54 Lakhs) pertains to ESI.

B. Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk. These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, salary inflation risk, demographic risk and market (investment) risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Standalone Statement of Profit and Loss, actuarial assumptions and other information.

(i) Reconciliation of present value of defined benefit obligation

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Balance at the beginning of the year	**914.46**	772.89
(b) Current service cost	**115.06**	93.70
(c) Interest cost	**61.85**	54.01
(d) Actuarial (gains)/ losses recognised in other comprehensive income	**103.21**	59.81
(e) Benefits paid	**(61.47)**	(65.95)
Balance at the end of the year	**1,133.11**	914.46

(ii) Reconciliation of fair value of plan assets

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Balance at the beginning of the year	**438.17**	392.11
(b) Expected return on plan asset	**33.24**	29.22
(c) Actual return on plan asset less interest on plan asset	**-**	0.44
(d) Contributions by the employer	**135.00**	82.35
(e) Benefits paid	**(61.47)**	(65.95)
Balance at the end of the year	**544.94**	438.17

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

(iii) Net liability recognised in the Standalone Balance Sheet

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Present value of defined benefit obligation	**(1,133.11)**	(914.46)
(b) Fair value of plan assets	**544.94**	438.17
Net liability recognised in the Standalone Balance Sheet	**(588.17)**	(476.29)

(iv) Expense recognised in Standalone Statement of Profit or Loss

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Current service cost	**115.06**	93.70
(b) Interest cost	**61.85**	54.01
(c) Expected return on plan assets	**(33.24)**	(29.22)
Amount charged to Standalone Statement of Profit or Loss	**143.67**	118.49

(v) Remeasurements recognised in Standalone Other Comprehensive Income

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Actuarial loss/ (gain) arising on defined benefit obligation from		
- financial assumptions	**49.67**	30.42
- experience adjustment	**53.54**	29.39
(b) Actual return on plan asset less interest on plan asset	**-**	(0.44)
Amount recognised in Standalone Other Comprehensive Income	**103.21**	59.37

(vi) The sensitivity of the overall plan obligation to changes in the weighted key assumptions are:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Impact on defined benefit obligation on discount rate plus **100 basis points**	**(118.11)**	(95.67)
Impact on defined benefit obligation on discount rate minus **100 basis points**	**140.42**	113.58
Impact on defined benefit obligation on salary growth rate plus **100 basis points**	**121.16**	100.97
Impact on defined benefit obligation on salary growth rate minus **100 basis points**	**(108.53)**	(88.52)

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Standalone Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(vii) Actuarial assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Standalone Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

Financial assumptions

	31 March 2025	31 March 2024
Discount rate	**6.60%**	7.00%
Expected rate of salary increase	**7.00%**	7.00%
Retirement age (years)	**60**	60
Attrition rate based on different age group of employees:		
ages from 20-25	**5%**	5%
ages from 25-30	**3%**	3%
ages from 30-35	**2%**	2%
ages from 35-50	**1%**	1%
ages from 50-55	**2%**	2%
ages from 55-58	**3%**	3%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

Demographic assumptions

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-2008) Ultimate.

(viii) Maturity profile of defined benefit obligation (undiscounted)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Within next 12 months	**52.13**	27.29
1-2 year	**47.66**	51.01
2-3 year	**60.91**	40.54
3-4 year	**77.89**	58.45
4-5 year	**73.77**	65.82
Thereafter	**330.47**	311.60

(ix)

	31 March 2025	31 March 2024
Weighted average duration of defined benefit obligation	**12 years**	12 years

(x) The Company expects to pay ₹ **588.17 Lakhs** in contribution to its defined benefit plans during the year 2025-2026.

(xi) Asset liability matching strategy:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus, the composition of each major category of plan assets has not been disclosed.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

There is no compulsion on the part of the Company to fully prefund the liability of the plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

C. Other Provisions

Amount in ₹ Lakhs

	Liability for compensated absences	Provision for litigation
Balance as at 1 April 2023	142.40	78.42
Add: Provisions made during the year 2023-2024	356.19	-
Less: Amount utilised/ reversed during the year 2023-2024	(42.72)	-
Balance as at 31 March 2024	455.87	78.42
Add: Provisions made during the year 2024-2025	**120.26**	**-**
Less: Amount utilised/ reversed during the year 2024-2025	**(88.71)**	**-**
Balance as at 31 March 2025	**487.42**	**78.42**

Movement of provision for litigation during the year as required by Ind AS 37: "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013, the Company as a prudent measure had made provisions in the earlier year amounting to ₹ 78.42 Lakhs representing estimates made mainly for probable claims arising out of disputes pending with the sales tax authorities. The probability and timing of the outflow with regard to these matters depend upon the ultimate settlement with the relevant authorities.

25. Current tax liabilities (net)

Accounting policy (refer note 33)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Income-tax liabilities	**955.75**	807.25
[net of advance tax **₹ 13,139.01 Lakhs** (31 March 2024: ₹ 9,196.23 Lakhs)]		
	955.75	807.25

26. Revenue from operations

Accounting Policy

The Company's revenue primarily from sale of Carbon materials and chemicals, and power (generation and distribution). Revenue excludes any taxes and duties collected on behalf of the Government.

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the products.

At contract inception, the Company assess the goods promised in a contract with a customer and identifies as a performance obligation of each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods is transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances and trade discounts.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

26. Revenue from operations (Contd.)

The Company's derives its power revenue from the production and sale of electricity based on long-term Power Purchase Agreements. Revenue is recognised upon delivery of electricity produced to the electricity grid based on the agreed tariff rate.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products	**4,59,259.08**	4,18,460.80
Other operating revenue		
- Export incentive	**321.26**	28.23
Total revenue from operations	**4,59,580.34**	4,18,489.03

(i) Sales are net of price adjustments settled during the year by the Company, discounts and Goods and Services tax (GST) etc.

(ii) Revenue disaggregation is as follows:

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
(a) Disaggregation of goods		
- Carbon materials and chemicals	**4,56,890.66**	4,16,074.45
- Power	**2,368.42**	2,386.35
	4,59,259.08	4,18,460.80
(b) Disaggregation based on geography		
India	**3,36,040.66**	3,39,719.69
Outside India	**1,23,218.42**	78,741.11
	4,59,259.08	4,18,460.80
Geographical location is based on the location of customers excluding export incentives		
(c) Reconciliation of Revenue from sale of products with the contracted price		
Contracted price	**4,55,020.92**	4,18,654.41
Add/(less): Adjustment for variable consideration	**4,238.16**	(193.61)
	4,59,259.08	4,18,460.80
(d) Information about major customers (refer note 41)		
(e) Contract balances		
Trade receivables (refer note 8)	**63,788.57**	66,583.39
	63,788.57	66,583.39

27. Other income

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income under the effective interest method:		
- Interest on bank deposits	**4,199.14**	3,294.54
- Others	**10.46**	150.41
- Income from related parties (refer note 39):		
- On loan given to a wholly owned subsidiary (including step- down subsidiaries)	**50.23**	5.52
- Others	**5.99**	5.99
- Unwinding of discount on security deposits and others	**174.00**	164.45
Gain on sale proceeds of current investments measured at fair value through profit or loss	**-**	110.88
Insurance claims	**19.63**	116.36
Gain on fair valuation of non current investments measured at fair value through profit or loss	**343.43**	95.10
Rental income (refer note 39)	**-**	22.50
Miscellaneous income	**287.26**	289.31
	5,090.14	4,255.06

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

28. Cost of materials consumed

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Inventory of raw materials at the beginning of the year	**34,421.08**	22,256.51
Add: Purchases during the year	**3,02,965.90**	3,19,349.09
	3,37,386.98	3,41,605.60
Less: Inventory of raw materials at the end of the year	**(21,688.00)**	(34,421.08)
Cost of materials consumed	**3,15,698.98**	3,07,184.52

29. Change in inventories of finished goods and work-in-progress

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Opening inventories		
Finished goods	**23,408.16**	21,537.47
Work-in-progress	**8,476.32**	6,676.73
	31,884.48	28,214.20
Closing inventories		
Finished goods	**24,562.11**	23,408.16
Work-in-progress	**7,823.56**	8,476.32
	32,385.67	31,884.48
Change in inventories of finished goods and work-in-progress	**(501.19)**	(3,670.28)

30. Employee benefits expense

Accounting Policy

Retirement benefit costs and termination benefits

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of government bonds having terms approximating to the terms of related obligation. The gratuity fund is being managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

30. Employee benefits expense (Contd.)

actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. Expense on non-accumulating compensated absences is recognized in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, Bonus etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	**10,255.11**	9,098.07
Contribution to provident and other funds	**625.58**	553.96
Defined benefit plan expenses - Gratuity [refer note 24 (b)]	**115.06**	93.70
Staff welfare expenses	**1,440.88**	1,251.15
	12,436.63	10,996.88

Salaries, wages and bonus includes **₹819.58 Lakhs** (31 March 2024: ₹672.46 Lakhs) relating to outsource manpower cost.

31. Finance costs

Accounting Policy

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense on financial liabilities measured at amortised cost	**4,047.73**	5,755.69
Exchange difference regarded as an adjustment to borrowing costs	**210.18**	312.40
Other borrowing costs	**179.32**	291.09
Interest cost on lease liability [refer note 35(c)]	**19.90**	12.58
	4,457.13	6,371.76

32. Other expenses

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	**866.62**	908.79
Power and fuel* [refer note (a) below]	**1,273.67**	1,283.42
Rent	**2,732.81**	1,665.23
Rates and taxes	**499.27**	177.95
Repairs to*:		
- Building	**126.16**	90.32
- Plant and equipment	**2,243.66**	3,024.50
- Others	**727.81**	663.32

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

32. Other expenses (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Payment to auditors' [refer note (b) below]	**84.19**	83.25
Insurance	**363.24**	606.19
Loss allowance for doubtful trade receivables	**-**	182.99
Packing expenses	**3,739.01**	3,178.02
Freight and forwarding expenses	**23,949.30**	18,049.49
Commission on sales	**1,470.58**	1,482.78
Net foreign exchange loss/ (gain)	**(747.42)**	(968.98)
Expenditure on corporate social responsibility [refer note (c) below]	**648.70**	316.39
Miscellaneous expenses	**8,866.07**	9,029.03
	46,843.67	39,772.69
* includes stores and spares consumed	**1,368.66**	3,138.36

(a) Power and fuel includes expenses incurred on operation of the power plant

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	**189.40**	219.43
Repairs	**117.76**	132.61
Other operational expenses	**53.28**	17.30
	360.44	369.34

(b) Payment to auditors'

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
As auditors':		
- Statutory audit fees	**53.50**	53.50
- Limited review of quarterly results	**21.50**	21.50
- Certification fees	**6.55**	6.10
Reimbursement-Out of pocket expenses	**2.64**	2.15
	84.19	83.25

(c) Expenditure on corporate social responsibility (CSR)

As per Section 135 of the Act, a Company meeting the applicability threshold, is required to spend at least 2% of its average net profit for the immediate preceeding three financial years on CSR activities. The area of CSR activities are eradicating hunger, poverty and malnutrition, promoting education, promoting healthcare including preventive healthcare. A CSR committee has been formed by the Company under the Act.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
A. Gross amount required to be spent by the Company	**648.70**	316.39
B. Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purpose other than (i) above	**486.08**	562.03
C. Related party transactions in relation to corporate social responsibility (refer note 39)	**607.30**	1,157.86
D. Provision movement during the year of ongoing project		
Opening provision	**142.19**	683.06
Addition during the year	**-**	-
Utilised during the year	**(102.80)**	(540.87)
Closing provision	**39.39**	142.19

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

32. Other expenses (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
E. Details of other projects		
(a) Opening unspent amount brought forward	**-**	-
(b) Amount of excess CSR spent brought forward for set-off	**245.64**	-
(c) Amount required to be spent by the Company for the year	**648.70**	316.39
(d) Amount spent during the year from Company's bank account	**(486.06)**	(562.03)
(e) Amount transferred to CSR unspent account	**-**	-
(f) Amount of excess CSR spent carried forward for set-off*	**83.00**	245.64
Closing balance	**-**	-
Closing balance:		
(a) With Company	**-**	-
(b) In CSR unspent account**	**39.39**	142.19

Nature of major CSR activities undertaken :

(a) Promoting Education

(b) Eradicating hunger, poverty and malnutrition, distribution of food, drinking water and cloth.

(c) Health Care

(d) Rural Development

*In compliance with the provisions laid under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021,there was no amount unspent for the year ended 31 March 2025. Amount available for set off in succeeding financial years **₹ 83.00 Lakhs** (31 March 2024: ₹ 245.64 Lakhs).

The unspent CSR amount of **₹ 39.39 Lakhs for the year 31 March 2023 was deposited to bank account on 21 April 2023.

33. Income tax

Accounting Policy

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised separately. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

33. Income tax (Contd.)

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the period

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

A. Reconciliation of effective tax rate

Amount in ₹ Lakhs

	Year ended 31 March 2025		Year ended 31 March 2024	
	Percentage	Amount	Percentage	Amount
Profit before tax		**80,773.75**		57,313.74
Statutory income-tax rate	**34.94%**	**28,225.58**	34.94%	20,027.71
Tax Effects of:				
Reversal of deferred tax liabilities (net) due to re-measurement of deferred tax assets / liabilities as per Ind AS 12 "Income Taxes"	**(0.37%)**	**(301.10)**	(1.79%)	(1,025.00)
Non - deductible expenses for tax purposes	**0.11%**	**87.83**	0.21%	117.73
Tax exempt income/ additional deduction as per income-tax	**(4.33%)**	**(3,494.20)**	(5.07%)	(2,906.24)
Unutilised balance of MAT charged to deferred tax expense	**0.44%**	**356.67**	0.00%	-
Income tax related to earlier years	**0.11%**	**91.92**	0.00%	-
	30.91%	**24,966.70**	28.29%	16,214.20
Amount recognised in profit or loss				
- Current tax		**14,094.76**		10,003.48
- Deferred tax		**10,780.02**		6,210.72
- Income tax related to earlier years		**91.92**		-
Total tax expenses		**24,966.70**		16,214.20

B. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Standalone financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

C. Movement in deferred tax assets and liabilities

Amount in ₹ Lakhs

Movement during the year ended 31 March 2024	Balance as on 1 April 2023	Charge / (credit) to profit or loss	Charge / (credit) to OCI	Balance as on 31 March 2024
Deferred tax (assets)/liabilities:				
Property, plant and equipment	23,895.64	428.86	-	24,324.50
Trade receivables	(254.02)	(60.48)	-	(314.50)
Right of use assets	695.37	(91.90)	-	603.47
Loans	(815.62)	55.57	-	(760.05)
Other assets	(33.92)	(0.74)	-	(34.66)
Borrowings	9.75	(7.22)	-	2.53
Other liabilities	(62.71)	15.60	-	(47.11)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

33. Income tax (Contd.)

Amount in ₹ Lakhs

Movement during the year ended 31 March 2024	Balance as on 1 April 2023	Charge / (credit) to profit or loss	Charge / (credit) to OCI	Balance as on 31 March 2024
Other financial liabilities	-	-	-	-
Share based payments- Equity-settled	(93.72)	50.71	-	(43.01)
Provisions	(160.21)	(12.63)	(20.68)	(193.52)
MAT credit entitlement	(16,608.58)	5,718.89	-	(10,889.69)
Gain/ loss on fair valuation of Investments in equity instruments	2,824.28	114.06	1,326.94	4,265.28
Net deferred tax liabilities	9,396.26	6,210.72	1,306.26	16,913.24

Amount in ₹ Lakhs

Movement during the year ended 31 March 2025	**Balance as on 1 April 2024**	**Charge / (credit) to profit or loss**	**Charge / (credit) to OCI**	**Balance as on 31 March 2025**
Deferred tax (assets)/liabilities:				
Property, plant and equipment	**24,324.50**	**28.81**	**-**	**24,353.31**
Trade receivables	**(314.50)**	**87.99**	**-**	**(226.51)**
Right of use assets	**603.47**	**(193.59)**	**-**	**409.88**
Loans	**(760.05)**	**255.44**	**-**	**(504.61)**
Other assets	**(34.66)**	**9.37**	**-**	**(25.29)**
Borrowings	**2.53**	**(2.53)**	**-**	**-**
Other liabilities	**(47.11)**	**(10.75)**	**-**	**(57.86)**
Other financial liabilities	**-**	**(172.07)**	**-**	**(172.07)**
Share based payments- Equity-settled	**(43.01)**	**24.03**	**-**	**(18.98)**
Provisions	**(193.52)**	**(86.17)**	**(25.98)**	**(305.67)**
MAT credit entitlement	**(10,889.69)**	**10,889.69**	**-**	**-**
Gain/ loss on fair valuation of Investments in equity instruments	**4,265.28**	**(50.20)**	**(1,341.30)**	**2,873.78**
Net deferred tax liabilities	**16,913.24**	**10,780.02**	**(1,367.28)**	**26,325.98**

a) Deferred tax assets is not recognised on certain items [such as investment impairment, loss allowances on advances and capital loss] due to lack of reasonable certainty.

b) MAT credit entitlement is the amount which is available for set off in subsequent years against income tax liabilities as per the provisions of the Income-tax Act, 1961.

c) Section 115 BAA of the Income-tax Act, 1961, introduced by the Taxation Laws (Amendment) Act, 2019 gives a one-time irreversible option for payment of income-tax at reduced rate with effect from financial year commencing 1 April 2019 subject to certain conditions. The Company had assessed the impact of the above amendment and decided to continue with the existing tax structure till the current financial year 2024-25 to utilise the accumulated Minimum Alternative Tax ('MAT') and to migrate to new tax regime from next financial year 2025-26. Accordingly the Company has re-assessed the deferred tax assets / liability that is expected to reverse on exercising the option on the future date as per Ind AS 12 'Income Taxes' and thus reversal of net deferred tax liability of **₹ 301.10 Lakhs** (31 March 2024: ₹ 1,025.00 Lakhs) has been recognised during the financial year. The unutlised balance of MAT of **₹ 356.67** Lakhs has been charged to deferred tax expense in the standalone statement of profit and loss for the year ended 31 March 2025.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

34. Earnings per equity share (EPS)

Accounting Policy

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

A. Basic earnings per equity share

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
(i) Profit for the year, attributable to the equity share holders of the Company (before exceptional items)	**55,807.05**	41,099.54
(ii) Profit for the year, attributable to the equity share holders of the Company (after exceptional items)	**55,807.05**	41,099.54
(iii) Weighted average number of equity shares (basic) (number)	**49,35,07,929**	44,83,58,106
Basic earnings per equity share (before exceptional items) [(i)/ (iii)]	**11.31**	9.17
Basic earnings per equity share (after exceptional items) [(ii)/ (iii)]	**11.31**	9.17

B. Diluted earnings per equity share

	Year ended 31 March 2025	Year ended 31 March 2024
(i) Weighted average number of equity shares (basic) (number)	**49,35,07,929**	44,83,58,106
(ii) Effect of dilutive potential equity shares on account of employee stock options (number)	**37,03,593**	2,43,082
(iii) Weighted average number of equity shares (diluted) for the year (i+ii)	**49,72,11,522**	44,86,01,188
Diluted earnings per equity share (before exceptional items) [(A) (i)/ (B) (iii)]	**11.22**	9.16
Diluted earnings per equity share (after exceptional items) [(A) (ii)/ (B) (iii)]	**11.22**	9.16

35. Contingent liability and commitments

(to the extent not provided for)

Accounting Policy

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(a) Contingent liabilities

Claim against the Company not acknowledged as debts

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Sales tax/VAT matters in dispute/ under appeal	**2,729.14**	3,088.47
GST matters in dispute/ under appeal	**474.43**	177.75
Excise/ Service Tax matters in dispute/under appeal	**10.60**	175.46
Custom duty matter in dispute/ under appeal	**28.83**	28.83
Entry tax in dispute/ under appeal - Chhattisgarh	**507.78**	503.60
Income tax in dispute/ under appeal	**1,042.70**	1,337.30
Others [refer note (ii) below]	**266.71**	266.71

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

35. Contingent liability and commitments (Contd.)

Note:

(i) Cash outflows for the above are determinable only on receipt of final judgments pending at various forums/ authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

(ii) Others represents dispute with a lessor in respect of arrear dues. The Company based on independent legal opinion, does not foresee any significant financial liability on this account.

(b) Commitments

Amount in ₹ Lakhs

Capital and other commitments	**31 March 2025**	31 March 2024
Estimated amount of contracts in capital account remaining to be executed and not provided for (net of capital advance)	**11,070.79**	2,782.98

(c) Leases (Ind AS 116)

Accounting Policy

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk and makes adjustments specific to the lease, e.g. term, security etc.

Carrying value of right of use assets at the end of the reporting period by class (refer note 5).

Amount in ₹ Lakhs

	Year ended 31 March 2025			Year ended 31 March 2024		
	Land	**Buildings**	**Amount**	Land	Buildings	Amount
Balance at the beginning of the year	**1,673.28**	**53.67**	**1,726.95**	1,872.93	91.40	1,964.33
Addition during the year	**-**	**189.32**	**189.32**	-	-	-
Amortisation during the year	**(199.65)**	**(88.06)**	**(287.71)**	(199.65)	(37.73)	(237.38)
Balance at the end of the year	**1,473.63**	**154.93**	**1,628.56**	1,673.28	53.67	1,726.95

Movement in lease liabilities

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	**134.69**	179.33
Additions during the year	**185.41**	-
Finance cost accrued during the year (refer note 31)	**19.90**	12.58
Payment of lease liabilities during the year (including interest)	**(110.12)**	(57.22)
Balance at the end of the year	**229.88**	134.69
Lease liabilities - Non-current	**139.95**	80.45
Lease liabilities - Current	**89.93**	54.24

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

35. Contingent liability and commitments (Contd.)

Maturity analysis of lease liabilities

		Amount in ₹ Lakhs
Maturity analysis – contractual undiscounted cash flows	**31 March 2025**	31 March 2024
Less than one year	**89.93**	54.24
One to five years	**147.17**	68.90
More than five years	**43.50**	54.72
Total undiscounted lease liabilities at the end of the year	**280.60**	177.86

Amount recognised in Standalone Statement of Profit and Loss

		Amount in ₹ Lakhs
	Year ended 31 March 2025	Year ended 31 March 2024
Interest on lease liabilities	**19.90**	12.58
Amortisation during the year	**287.71**	237.38
Expenses relating to short-term leases and low value assets	**2,732.81**	1,665.23

Amount recognised in the Standalone Statement of Cash Flows

		Amount in ₹ Lakhs
	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses recognised during the year (refer note 31)	**19.90**	12.58
Lease payments reflected in Standalone Statement of Cash Flows	**90.22**	44.64

36. Other comprehensive income

		Amount in ₹ Lakhs
	Year ended 31 March 2025	Year ended 31 March 2024
Items that will not be reclassified subsequently to profit or loss		
Re-measurement of Defined Benefit Plans	**(103.21)**	(59.37)
Income Tax relating to items that will not be reclassified to profit or loss	**25.98**	20.68
	(77.23)	(38.69)
Equity Instrument at Fair Value through Other Comprehensive Income	**266.98**	6,035.00
Income Tax relating to items that will not be reclassified to profit or loss	**1,341.30**	(1,326.94)
	1,608.28	4,708.06
Items that will be reclassified subsequently to profit or loss	**-**	-
	-	-
Other comprehensive income for the year (net of income tax)	**1,531.05**	4,669.37

37. Research and development expenses

Research and development expenses aggregating to **₹ 3,587.78 Lakhs** (31 March 2024: ₹ 3,206.38 Lakhs) in the nature of revenue expenditure and addition of **₹ 342.11 Lakhs** (31 March 2024: ₹ 445.29 Lakhs) in the nature of capital expenditure during the year have been included under the relevant account heads.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

38. Share based payments

A. Description of share-based payment arrangement

Himadri Employees Stock Option Plan 2016 (equity-settled)

The Company at its 28th Annual General Meeting held on 24 September 2016, has approved "Himadri Employees Stock Option Plan 2016" (ESOP 2016 or Plan) for granting 40,00,000 Employees Stock Options to certain "eligible employees". The Plan is administered by the Nomination and Remuneration Committee of the Board ("the Committee") in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provisions of the Companies Act. 2013 for the time being in force. The option granted to certain eligible employees including certain key management personnel on vesting condition of time basis, Company performance and individual performance as specified in the grant letter issued to each employee.

Scheme	Vesting Period	Exercise Period	Year	Date of grant	Number of options granted	Exercise price ₹ per equity share
ESOP 2016 Plan (Tranche I)	Vested after 1 year but not later than 5 years from the date of grant of options.	Any time within a period of 5 years from the date of vesting and will be settled by way of equity shares in accordance with the aforesaid plan.	2016-2017	05 January 2017	13,04,600	19
ESOP 2016 Plan (Tranche II)			2018-2019	08 May 2018	26,95,000	140

B. Measurement of fair values

Equity-settled share based payment arrangements

The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:

	ESOP 2016 (Tranche I)		ESOP 2016 (Tranche II)	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
Fair value at grant date	**₹ 24.94**	₹ 24.94	**₹ 23.01**	₹ 23.01
Share price at grant date	**₹ 36.70**	₹ 36.70	**₹ 121.15**	₹ 121.15
Exercise price	**₹ 19.00**	₹ 19.00	**₹ 140.00**	₹ 140.00
Expected volatility* (weighted average volatility)	**57.57%**	57.57%	**23.77%**	23.77%
Expected life (expected weighted average life)	**4.39 years**	4.39 years	**3.07 years**	3.07 years
Expected dividends**	**0.27%**	0.27%	**0.41%**	0.41%
Risk-free interest rate (based on government bonds)	**6.48%**	6.48%	**7.35%**	7.35%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Expected life of the options has been calculated on the assumption that options would exercise within one year from the date of vesting.

The fair value of option on the date of grant have been done by an independent valuer appointed by the management using the Black Scholes Merton Model.

* Expected volatility on the Company's stock price on National Stock Exchange of India Ltd based on the data commensurate with the expected life of the options up to the date of grant.

** Expected dividend on underlying shares is taken as 10% on market price as on the date of grant.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

38. Share based payments (Contd.)

C. Reconciliation of outstanding share options

The number and weighted average exercise prices of share option under the share option plan (refer A above) are as follows.

	31 March 2025		31 March 2024	
	Weighted average exercise price per option (in ₹)	Number of options	Weighted average exercise price per option (in ₹)	Number of options
Outstanding at 1 April	**137.28**	**4,36,449**	126.89	10,77,729
Granted during the year	**-**	**-**	-	-
Forfeited during the year	**-**	**-**	19.00	3,905
Exercised during the year	**138.26**	**2,31,205**	120.44	6,37,375
Outstanding at 31 March	**136.18**	**2,05,244**	137.28	4,36,449
Exercisable at 31 March	**136.18**	**2,05,244**	137.28	4,36,449

A weighted average remaining contractual life of **1.60 years** (31 March 2024: 1.92 years).

The weighted average share price at the date of exercise for share options exercised during the year 2024-2025 was **₹351.59** (2023-2024: ₹ 155.68).

Weighted average fair value of the options granted during the year 2024-2025 was **₹Nil** (2023-2024: ₹ Nil).

D. Expense recognised in Standalone Statement of Profit and Loss

During the year ended 31 March 2025, the Company has charged **₹ Nil** (31 March 2024: ₹ Nil) as share based payment equity-settled expenses.

E. Details of the liabilities arising out of the share based payments to employees - Equity settled were as follows:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Total carrying amount	**75.43**	123.10

39. Related party disclosure

A. Enterprises where control exists:

i) Subsidiaries

Name of the related party	Principal place of business	% of shareholding and voting power	
		31 March 2025	31 March 2024
AAT Global Limited (AAT), Wholly owned subsidiary	Hongkong	**100**	100
Shandong Dawn Himadri Chemical Industry Limited (SDHCIL), subsidiary of AAT	China	**94**	94
Himadri Speciality Inc (HSI), Wholly owned subsidiary (w.e.f. 07 February 2025)	U.S.A	**100**	-
Combe Projects Private Limited (CPPL), Wholly owned subsidiary (w.e.f. 20 July 2023)	India	**100**	100
Himadri Clean Energy Limited (HCEL), Wholly owned subsidiary (w.e.f. 30 November 2023)	India	**100**	100
Himadri Future Material Technology Limited (HFMTL), Wholly owned subsidiary of HCEL (w.e.f. 01 February 2024)	India	**100**	100

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

39. Related party disclosure (Contd.)

Name of the related party	Principal place of business	% of shareholding and voting power	
		31 March 2025	31 March 2024
Himadri Green Technologies Innovation Limited (HGTIL), Wholly owned subsidiary of HCEL (w.e.f. 01 August 2024)	India	**100**	-
Invati Creations Private Limited (ICPL), subsidiary of Company (w.e.f. 17 May 2024)	India	**40**	-

ii) Other related parties with whom transactions have taken place during the year

a) Key Management Personnel (KMP) and relatives of KMP

Name of the related parties	Relationship
Mr. Shyam Sundar Choudhary, Executive Director	Key Management Personnel
Mr. Anurag Choudhary, Chairman cum Managing Director & Chief Executive Officer	Key Management Personnel
Mr. Amit Choudhary, Executive Director	Key Management Personnel
Mr. Kamlesh Kumar Agarwal, Chief Financial Officer	Key Management Personnel
Mrs. Monika Saraswat, Company Secretary & Compliance Officer	Key Management Personnel
Mrs. Sheela Devi Choudhary	Relative of KMPs (wife of Mr. Shyam Sundar Choudhary)
Mrs. Shikha Choudhary	Relative of KMPs (wife of Mr. Anurag Choudhary)
Mrs. Rinku Choudhary	Relative of KMPs (wife of Mr. Amit Choudhary)
Mrs. Anooshka C Bathwal	Relative of KMPs (daughter of Mr. Anurag Choudhary)
Mr. Amritesh Choudhary	Relative of KMPs (son of Mr. Amit Choudhary)
Mr. Samridh Choudhary	Relative of KMPs (son of Mr. Anurag Choudhary)
Mr. Soham Bathwal	Relative of KMPs (son-in-law of Mr. Anurag Choudhary)

b) Non-executive Directors

Name of the related parties
Mr. Sakti Kumar Banerjee, Non-Executive Independent Director (upto 31 March 2024)
Mr. Santimoy Dey, Non-Executive Independent Director (upto 23 September 2024)
Mr. Santosh Kumar Agrawala, Non-Executive Independent Director**
Mrs. Rita Bhattacharya, Non-Executive Independent Director
Mr. Girish Paman Vanvari, Non-Executive Independent Director
Mr. Gopal Ajay Malpani, Non-Executive Independent Director

** Resigned w.e.f. 7 August 2023

iii) Enterprises controlled by the Key Managerial Personnel or relatives of KMP or both

Himadri Credit & Finance Limited

Sri Agro Himghar Limited

Himadri e-Carbon Limited

Bharat Seva Nidhi (New)

Himadri Foundation

Tuaman Engineering Limited

Himadri Birla Tyre Manufacturer Private Limited (Formerly: Dalmia Mining & Services Pvt Ltd) (w.e.f 17 November 2023)

Next Generation Traders Private Limited

Birla Tyres Limited (w.e.f 07 November 2023)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

39. Related party disclosure (Contd.)

iv) Entities with significant influence over the Company

Modern Hi-Rise Private Limited

v) Firm in which director is a partner

Transaction Square LLP

B. Disclosure of transactions between the Company and related parties other than Key Managerial Persons

Amount in ₹ Lakhs

Name of the related party	Nature of transaction	Year ended 31 March 2025	Year ended 31 March 2024
AAT Global Limited	Purchase of raw materials	**52,534.32**	1,05,252.94
	Payment for supplies	**73,061.35**	84,081.17
	Corporate Guanrantee issued (including renewals)	**-**	81,976.55
	Corporate Guanrantee released	**(27,513.39)**	(54,527.09)
Tuaman Engineering Limited	Purchase of stores & spares	**-**	643.35
	Payment for purchases	**-**	758.86
	Rental income	**-**	22.50
Combe Projects Pvt Ltd	Loan given	**-**	100.00
	Refund of Loan	**(100.00)**	-
	Interest income on loan given	**3.89**	5.42
	Purchase of share	**8.12**	-
Himadri Clean Energy Limited	Loan given	**265.00**	5.00
	Interest income on loan given	**17.33**	0.09
	Purchase of share	**449.00**	-
Himadri Green Technologies Innovation Limited	Loan given	**570.00**	-
	Interest income on loan given	**23.98**	-
Himadri Future Material Technology Limited	Loan given	**250.00**	-
	Interest income on loan given	**5.03**	-
Himadri Birla Tyre Manufacturer Private Limited	Investment in Optionally convertible debentures (OCDs)	**-**	13,300.00
	Interest income on investments	**1.33**	0.04
Birla Tyres Limited	Interest income on investments	**0.05**	0.02
Modern Hi-Rise Private Limited	Rent paid	**0.14**	0.14
Sri Agro Himghar Limited	Rent paid	**0.06**	0.06
Next Generation Traders Pvt Ltd	Rent paid (w.e.f 01 November 2023)	**1,440.00**	600.00
Transaction Square LLP	Consultancy expenses	**120.00**	152.00
Himadri Foundation	Donation/Expenditure on corporate social responsibility	**607.30**	1,157.86
Modern Hi-Rise Private Limited	Dividend paid	**913.00**	456.50
Himadri Credit & Finance Limited	Dividend paid	**7.42**	3.71

C. Disclosure of transactions with Key Management Personnel & relatives of KMP

Key management personnels (KMP) remuneration comprised of the following:

Amount in ₹ Lakhs

Nature of transaction	Year ended 31 March 2025	Year ended 31 March 2024
Short-term employee benefits	**1,348.80**	1,178.63
Share based payments to employees - Equity settled	**-**	17.00
Other long-term benefits	**9.12**	8.17
Total remuneration paid to key management personnel	**1,357.92**	1,203.80

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

39. Related party disclosure (Contd.)

Amount in ₹ Lakhs

Nature of transaction	Year ended 31 March 2025	Year ended 31 March 2024
Sitting fees paid	**33.50**	46.75
Loan to KMPs	**-**	7.00
Refund of Loan to KMP	**(3.19)**	-
Interest income on loan to KMPs	**5.99**	5.99
Purchase of shares	**0.63**	3.17
Received against issue of share warrants, convertible into equity shares	**7,948.98**	27,179.25
Received against issue of shares under ESOP	**-**	138.18
Dividend paid	**327.71**	33.42

As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

Based on the recommendation of the Nomination and Remuneration Committee, all decisions relating to the remuneration of the KMP's are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

The above transactions are exclusive of GST, wherever applicable.

D. Outstanding balances

Amount in ₹ Lakhs

Name of the related party	Nature of transaction	31 March 2025	31 March 2024
AAT Global Limited	Loan given (including interest receivable)	**6,298.98**	6,298.98
	Loss allowance for loan (including interest receivable)	**(6,298.98)**	(6,298.98)
	Advance/ (Payable) for supplies (net)	**2,804.72**	(17,625.85)
	Loss allowance for advances	**(1,255.03)**	(1,255.03)
	Corporate Guanrantee (restated at the closing currency exchange rate)	**-**	27,513.39
Combe Projects Pvt Ltd	Loan given (including interest receivable)	**-**	104.88
	Investment in Shares	**10.30**	-
Himadri Clean Energy Limited	Loan given (including interest receivable)	**270.00**	5.09
	Investment in Shares	**450.00**	-
Himadri Green Technologies Innovation Limited	Loan given (including interest receivable)	**570.00**	-
Himadri Future Material Technology Limited	Loan given (including interest receivable)	**250.00**	-
KMPs	Loan given (including interest receivable)	**113.01**	110.21
Birla Tyres Limited	Investment in Shares#	**0.00**	0.00
	Investment in OCDs (including interest receivable)*	**500.00**	500.02
Himadri Birla Tyre Manufacturer Private Limited (Formerly : Dalmia Mining & Services Pvt Ltd)	Investment in OCDs (including interest receivable)**	**13,300.00**	13,300.04
Invati Creations Private Limited	Investment in Shares	**4,516.13**	-
Transaction Square LLP	Consultancy expenses	**37.81**	-

* Fair value of OCD ₹ **508.37 Lakhs** (31 March 2024: ₹ 718.50 Lakhs).

** Fair value of OCD ₹ **13,055.00 Lakhs** (31 March 2024: ₹ 12,982.80 Lakhs).

Below rounding off norms of the Company

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

39. Related party disclosure (Contd.)

E. Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis. Outstanding balances at the year-end is unsecured and settlement occurs in cash.

40. Financial Instrument

Accounting Policy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The Company has an established control framework with respect to the measurement of fair values. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair value for measurement and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets.

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

A. Fair value measurement of financial instrument

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

Amount in ₹ Lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	-	18,257.08	18,257.08	-	18,257.08	-
Investment in equity instruments (unquoted)	7	-	-	30.75	30.75	-	28.08	2.67
Investment in equity instruments (quoted)*	7	-	-	1,204.94	1,204.94	2.65	-	1,202.29
Investment in debentures (unquoted)	7	-	37,831.31	-	37,831.31	-	37,831.31	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

40. Financial Instrument (Contd.)

Amount in ₹ Lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Investment in Compulsorily Convertible Notes (unquoted)	7		**476.26**	**-**	**476.26**	**-**	**476.26**	**-**
Investment in government securities	7	**0.07**	**-**	**-**	**0.07**	**-**	**-**	**-**
Trade receivables	8	**63,788.57**	**-**	**-**	**63,788.57**	**-**	**-**	**-**
Cash and cash equivalents	9	**15,302.77**	**-**	**-**	**15,302.77**	**-**	**-**	**-**
Bank balances other than cash and cash equivalents	10	**51,670.64**	**-**	**-**	**51,670.64**	**-**	**-**	**-**
Loans	11	**1,272.89**	**-**	**-**	**1,272.89**	**-**	**-**	**-**
Other financial assets	12	**8,425.01**	**-**	**-**	**8,425.01**	**-**	**-**	**-**
Financial liabilities:								
Borrowings	19	**30,780.01**	**-**	**-**	**30,780.01**	**-**	**-**	**-**
Trade payables	20	**23,478.77**	**-**	**-**	**23,478.77**	**-**	**-**	**-**
Derivatives	21	**-**	**423.83**	**-**	**423.83**	**-**	**423.83**	**-**
Lease liabilities	35(c)	**229.88**	**-**	**-**	**229.88**	**-**	**-**	**-**
Other financial liabilities	22	**3,399.82**	**-**	**-**	**3,399.82**	**-**	**-**	**-**

Amount in ₹ Lakhs

As on 31 March 2024	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	-	18,257.08	18,257.08	-	18,257.08	-
Investment in equity instruments (unquoted)	7	-	-	22.06	22.06	-	20.19	1.87
Investment in equity instruments (quoted)*	7	-	-	946.66	946.66	2.24	-	944.42
Investment in debentures (unquoted)	7	-	28,446.11	-	28,446.11	-	28,446.11	-
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	66,583.39	-	-	66,583.39	-	-	-
Cash and cash equivalents	9	20,939.95	-	-	20,939.95	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

40. Financial Instrument (Contd.)

Amount in ₹ Lakhs

As on 31 March 2024	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Bank balances other than cash and cash equivalents	10	51,652.73	-	-	51,652.73	-	-	-
Loans	11	231.48	-	-	231.48	-	-	-
Other financial assets	12	5,166.51	101.39	-	5,267.90	-	101.39	-
Financial liabilities:								
Borrowings	19	60,041.97	-	-	60,041.97	-	-	-
Trade payables	20	54,492.44	-	-	54,492.44	-	-	-
Derivatives	21	-	-	-	-	-	-	-
Lease liabilities	35(c)	134.69	-	-	134.69	-	-	-
Other financial liabilities	22	2,541.60	-	-	2,541.60	-	-	-

*Investment in equity instrument of Himadri Credit & Finance limited has been considered as level 3 as no marekt price (quoted) is available in active market in calcutta stock exchange.

B. Fair value hierarchy

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. Unquoted mutual fund units are valued using the closing net asset value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of the unquoted investments included in level 2 has been determined using valuation techniques with market observable inputs. The model incorporate various inputs including prevailing market value of investments in listed company.

(c) The fair value of the quoted /unquoted investments included in level 3 are based on the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

(d) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(e) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

40. Financial Instrument (Contd.)

(f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rate used is based on the Company's estimates.

(g) The fair value of the commodity hedge is determined using the commodity rates existing as at the end of the reporting period.

The significant observable inputs used in the fair value measurement of the fair value hierarchy of level 3 inputs like discounted cash flows, market multiple method, option pricing model etc.

There were no transfer of financial assets or liabilities measured at fair value between level 1 and level 2, or transfer into or out of level 3 during the year ended 31 March 2025 and 31 March 2024.

Reconciliation of level 3 fair value measurements

The following table shows a reconciliation from opening balances to closing balances for level 3 for fair values on a recurring basis.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Balance as at beginning of the year	**946.29**	608.23
Change in value of investment in equity instruments measured at FVTOCI (unrealised)	**258.67**	338.06
Change in value due to sale of investment in equity instruments measured at FVTPL (realised)	**-**	-
Balance as at end of the year	**1,204.96**	946.29

Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31 March 2024.

Financial assets and liabilities measured at fair value as at Standalone Balance Sheet date

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

2. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

Other financial assets and liabilities

- Cash and Cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

40. Financial Instrument (Contd.)

Significant unobservable inputs used in level 3 fair values

Certain investments are valued using level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.

41. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The key risks and mitigating actions are also placed before the audit committee of the Company.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Credit limit and credit worthiness monitoring, credit based approval process
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Market risk Foreign exchange risk	Committed commercial transaction Financial asset and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts. Foreign currency options principal only/currency swaps
Interest rate	Long term borrowings at variable rates and other debt securities	Sensitivity analysis Interest rate movements	Interest rate swaps
Commodity price risk	Movement in prices of raw materials	Commodity price tracking	Maintaining inventory at optimum level
Security prices	Investment in equity instruments	Sensitivity analysis	Portfolio diversification

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and restricts the exposure in equity markets.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial risk management (Contd.)

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, investments in debt securities and foreign exchange transactions. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables indicate a low credit risk.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However the Company also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customer operates. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months for customers.

Details of concentration percentage of revenue generated from a top customer and top five customers are stated below:

	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from a top customer	**10%**	16%
Revenue from top five customers	**41%**	42%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables.

Movement in impairment loss:

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	**900.00**	717.01
Add: Provided during the year	**-**	182.99
Less: Utilised during the year	**-**	-
Balance at the end of the year	**900.00**	900.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial risk management (Contd.)

Amount in ₹ Lakhs

As at 31 March 2025	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
Gross carrying amount - current	**53,741.36**	**7,709.26**	**1,044.86**	**152.34**	**100.64**	**921.70**	**63,670.16**
Gross carrying amount - Non-current	**-**	**-**	**-**	**-**	**-**	**1,018.41**	**1,018.41**
Average expected loss rate on current	**0.00%**	**0.00%**	**0.00%**	**43.07%**	**75.00%**	**82.34%**	**1.41%**
Expected credit loss provision*	**-**	**-**	**-**	**65.61**	**75.48**	**758.91**	**900.00**
Carrying amount of trade receivable (net of expected credit loss provision)	**53,741.36**	**7,709.26**	**1,044.86**	**86.73**	**25.16**	**1,181.20**	**63,788.57**

Amount in ₹ Lakhs

As at 31 March 2024	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
Gross carrying amount - current	54,164.82	7,460.40	2,792.21	792.31	407.88	847.36	66,464.98
Gross carrying amount - Non-current	-	-	-	-	-	1,018.41	1,018.41
Average expected loss rate on current	0.00%	0.00%	0.00%	8.28%	18.51%	89.56%	1.35%
Expected credit loss provision*	-	-	-	65.61	75.48	758.91	900.00
Carrying amount of trade receivable (net of expected credit loss provision)	54,164.82	7,460.40	2,792.21	726.70	332.40	1,106.86	66,583.39

*The non-current debtors are under arbitration and matter has been awarded in company's favour and accordingly no ECL has been considered on non-current debtors.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial risk management (Contd.)

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Amount in ₹ Lakhs

31 March 2025	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	**30,780.01**	**30,807.60**	**133.20**	**71.50**	**32.95**	**-**	**31,045.25**
Trade payables (including acceptances)	**23,478.77**	**23,478.77**	**-**	**-**	**-**	**-**	**23,478.77**
Other financial liabilities	**3,399.82**	**3,374.05**	**-**	**-**	**-**	**25.77**	**3,399.82**
Lease liabilities including lease interest	**229.88**	**89.93**	**83.55**	**25.03**	**38.59**	**43.50**	**280.60**

Amount in ₹ Lakhs

31 March 2024	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	60,041.97	59,043.03	1,490.46	708.01	98.05	-	61,339.55
Trade payables (including acceptances)	54,492.44	54,492.44	-	-	-	-	54,492.44
Derivatives	-	-	-	-	-	-	-
Other financial liabilities	2,541.60	2,515.83	-	-	-	25.77	2,541.60
Lease liabilities including lease interest	134.69	54.24	26.40	20.07	22.43	54.72	177.86

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

All such transactions are carried out within the guidelines set by the management. Generally, the Company seeks to apply hedge accounting to manage volatility in other comprehensive income.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The currency in which these transactions are primarily denominated is USD. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts and cross currency swap. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial risk management (Contd.)

Exposure to currency risk

The Company's exposure to foreign currency as at the end of the reporting period are as follows:

31 March 2025	In original currency (USD in Lakhs)	In local currency (₹ in Lakhs)
Financial Assets		
Trade receivables	**173.42**	**14,841.13**
Cash and cash equivalents	**8.10**	**693.38**
	181.52	**15,534.51**
Financial Liabilities		
Borrowings	**327.10**	**27,993.53**
Trade payables	**59.20**	**5,066.45**
Other financial liabilities	**7.14**	**610.87**
Less: Forward currency contracts/options	**(550.00)**	**(47,069.77)**
	(156.56)	**(13,398.92)**
Net exposure in respect of recognised financial assets and financial liabilities	**338.08**	**28,933.43**

31 March 2024	In original currency (USD in Lakhs)	In local currency (₹ in Lakhs)
Financial Assets		
Trade receivables	150.32	12,532.69
Cash and cash equivalents	0.21	17.68
	150.53	12,550.37
Financial Liabilities		
Borrowings	344.21	28,698.15
Trade payables	276.51	23,053.69
Other financial liabilities	6.78	565.08
Less: Forward currency call options	(354.23)	(29,533.28)
	273.27	22,783.64
Net exposure in respect of recognised financial assets and financial liabilities	(122.74)	(10,233.27)

Note : Loans and advances given to subsidiary company has not been considered in the above table as the same stands impaired in the books.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount in ₹ Lakhs

	Profit or (loss)		Equity (net of tax)	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2025				
USD (5% Movement)	**(1,446.67)**	**1,446.67**	**(941.15)**	**941.15**
31 March 2024				
USD (5% Movement)	511.66	(511.66)	332.87	(332.87)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial risk management (Contd.)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's current borrowings with floating interest rates. For all non-current borrowings with floating rates, the risk of variation in the interest rates in mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Fixed rate instruments		
Financial assets	**63,389.42**	51,846.39
Financial liabilities	**(28,280.01)**	(29,052.63)
	35,109.41	22,793.76
Variable rate instruments		
Financial assets	**-**	-
Financial liabilities	**(2,500.00)**	(30,989.34)
	(2,500.00)	(30,989.34)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Amount in ₹ Lakhs

	Profit or (loss)		Equity (net of tax)	
	Decrease in rate	Increase in rate	Decrease in rate	Increase in rate
31 March 2025				
Variable rate instruments (1% Movement)	**25.00**	**(25.00)**	**16.26**	**(16.26)**
Cash flow sensitivity (net)	**25.00**	**(25.00)**	**16.26**	**(16.26)**
31 March 2024				
Variable rate instruments (1% Movement)	**309.89**	**(309.89)**	**201.60**	**(201.60)**
Cash flow sensitivity (net)	**309.89**	**(309.89)**	**201.60**	**(201.60)**

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables, in particulars foreign currency exchange rates, remain constant. Further, the calculation for the unhedged floating rate borrowing have been done on the notional value of the foreign currency.

(c) Equity price risks

The Company's quoted and unquoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments made by the Company are listed on the BSE Ltd (BSE), National Stock Exchange of India Ltd (NSE) and Calcutta Stock Exchange (CSE) in India. There is no significant investment outstanding as at 31 March 2025. Hence, sensitivity analysis is not given.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial risk management (Contd.)

(d) The following table gives details in respect of outstanding foreign currency forward, cross currency swaps, interest rate swaps and option contracts:

Amount in ₹ Lakhs

	Currency pair	Position	31 March 2025		31 March 2024	
			Amount in foreign currency in Lakhs	Amount in ₹ in Lakhs	Amount in foreign currency in Lakhs	Amount in ₹ in Lakhs
Forward contracts [**Nil**, (previous year 6)]	USD/INR	Sell	**-**	**-**	354.23	29,533.28
Forward contracts [**5**, (previous year Nil)]	USD/INR	Buy	**550.00**	**47,069.77**	-	-

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Standalone Balance Sheet date:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Not later than one month	**-**	-
Later than one month and not later than three months	**(423.83)**	58.84
Later than three months and not later than one year	**-**	42.55
	(423.83)	101.39

The following table provides quantitative information about offsetting of derivative financial assets and derivative financial liabilities:

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognised financial asset/ liability	**-**	**(423.83)**	101.39	-
Net amount presented in Standalone Balance Sheet	**-**	**(423.83)**	101.39	-

42. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders. The Company's objective when managing capital are to: (a) maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. The Company may take appropriate steps in order to maintain or adjust its capital structure.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Amount in ₹ Lakhs

		31 March 2025	31 March 2024
Borrowings	A	**30,780.01**	60,041.97
Cash and bank balances	B	**66,973.41**	72,592.68
Total	C = A-B	**(36,193.40)**	(12,550.71)
Equity	D	**3,64,752.55**	2,98,120.99
Debt to Equity	E = A / D	**0.08**	0.20
Debt to Equity (net)	F = C / D	**(0.10)**	(0.04)

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Capital management (Contd.)

For the purpose of the Company's capital management

(a) Borrowings include as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 19

(b) Equity includes issued, subscribed and fully paid-up equity share capital and other equity attributable to the equity holders of the Company as described in note 17 and 18.

(c) Cash and bank balances include cash and cash equivalents, mutual funds and Bank balances other than cash and cash equivalents (refer note 9 and 10)

43. Segment information

The Company has presented segment information in the Consolidated financial statements which are presented in the same annual report. Accordingly, in terms of paragraph 4 of Ind AS 108 'Operating segment', no disclosures related to segments are presented in these Standalone financial statements.

44. Other Additional Regulatory Information

(i) Ratios to disclosed as per requirement of Schedule III to the Act

	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
(a) Current ratio (times)	Current assets	Current liabilities	**3.56**	1.93	84.46%	Reduction in current liabilities resulted into improvement in current ratio
Solvency Ratio						
(b) Debt-equity ratio (times)	Total Debt (Including lease liabilities)	Shareholder's Equity	**0.09**	0.20	(55.00%)	Reduction in debt & increase in net worth on account of higher profitability.
(c) Net Debt-equity ratio (times)	Net Debt (Including lease liabilities)	Shareholder's Equity	**(0.10)**	(0.04)	150.00%	Reduction in net debt & increase in net worth on account of higher profitability.
(d) Debt service coverage ratio (times)	Earning for Debt Service (i.e. Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets+Loss allowances for doubtful trade receivables etc.)	Debt service (i.e. Interest & Lease Payments + Principal Repayments excluding Prepayments)	**8.61**	4.84	77.89%	On account of increase in profitability and decline in finance charges resulted into improvement in Debt service coverage ratio

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

44. Other Additional Regulatory Information (Contd.)

	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	% of variance	Explanation for change in the ratio by more than 25%
Profitability ratio						
(e) Net profit ratio (%)	Net profit after tax	Net sales	**12.15%**	9.82%	23.72%	Not applicable
(f) Return on equity ratio (%)	Net profit after taxes - preference dividend (if any)	Average shareholder's equity	**16.84%**	15.82%	6.45%	Not applicable
(g) Return on Capital employed (%)	Earning before interest and tax	Capital employed (i.e. tangible net worth-Capital work-in-progress + total debt+Lease liability-Cash and Bank Balances + deferred tax liability)	**25.26%**	21.52%	17.36%	Not applicable
(h) Return on Investment (%)	Interest (finance income)	Average fixed deposits	**7.38%**	7.00%	5.45%	Not applicable
Utilization ratio						
(i) Trade Receivables turnover ratio (times)	Net Credit Sales	Average trade receivables	**7.05**	7.09	(0.56%)	Not applicable
(j) Inventory turnover ratio (times)	Cost of goods sold	Average inventory	**4.88**	4.85	0.62%	Not applicable
(k) Trade payables turnover ratio (times)	Net credit purchases	Average trade payables	**7.77**	7.21	7.77%	Not applicable
(l) Net capital turnover ratio (times)	Net sales	Working capital	**3.01**	3.81	(21.00%)	Not applicable

(ii) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(iii) Borrowing secured against current assets

The Company has taken working capital borrowings from banks and financial institutions on the basis of security of current assets. The quarterly statement filed to the banks and financial institutions are in agreement with the books of accounts.

(iv) Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

44. Other Additional Regulatory Information (Contd.)

(v) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 except the following:

Amount in ₹ Lakhs

Name of the struck off Company	Nature of transactions with struck off Company	Relationship with the struck off Companies	Number of shares outstanding 31 March 2025	Number of shares outstanding 31 March 2024	31 March 2025	31 March 2024
Frohar Trading Private Limited	Shares held by struck off Company	NA	**1,700**	1,700	**0.01**	0.00
Trishul Vintrade Private Limited	Shares held by struck off Company	NA	**590**	590	**0.00**	0.00
Nipu Commercial Private Limited	Shares held by struck off Company	NA	**650**	650	**0.00**	0.00

(vi) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vii) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ix) Undisclosed income

The Company do not have any such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(x) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(xi) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

Notes to the Standalone Financial Statements

for the year ended 31 March 2025 (Contd.)

44. Other Additional Regulatory Information (Contd.)

(xiv) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered and the audit trail has been preserved by the company as per the statutory requirements for record retention.

45. The management has evaluated all activities of the Company till 21 April 2025 and concluded that there were no additional subsequeent events required to be reflected in the Group's financial statements except the following Companies which become subsidiary Companies:

i) Birla Tyres Limited - Subsidiary w.e.f. 01 April 2025 and Wholly Owned Subsidiary	w.e.f. 07 April 2025
ii) Himadri Birla Tyre Manufacturer Private Limited – Subsidiary**	w.e.f. 01 April 2025
iii) Trancemarine and Confreight Logistics Private Limited - Subsidiary	w.e.f. 04 April 2025
iv) Sturdy Niketan Private Limited - Subsidiary of Trancemarine and Confreight Logistics Private Limited	w.e.f .04 April 2025

** The Company holds 49% of paid-up equity share capital of Himadri Birla Tyre Manufacturer Private Limited ("HBTMPL") w.e.f. 01 April 2025. However, based on contractual rights (including potential voting right combined with 49% voting right), the Company has the power to make decisions concerning relevant activities and thus has control over HBTMPL as per IND AS 110: "Consolidated Financial Statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Independent Auditor's Report

To the Members of
Himadri Speciality Chemical Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Himadri Speciality Chemical Ltd** ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2025, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements including material accounting informations and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2025, their consolidated total comprehensive income (comprising consolidated profit and consolidated other comprehensive income) their consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *'Auditor's Responsibilities for the Audit of the consolidated financial statements'* section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethic. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 15 of the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context:

Descriptions of Key Audit Matter	How we addressed the matter in our audit
A. Valuation of Inventories Refer to note 15 to the consolidated financial statements. The Holding Company is having Inventory of ₹ 58,520.28 lakhs as on 31 March 2025. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 15 to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions against inventory of Stores, Raw Material, Finished Goods and Work in Progress based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.	We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by: • Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. • Verify that the adequate cut off procedure has been applied to ensure that purchased inventory and sold inventory are correctly accounted. • Reviewing the document and other record related to physical verification of inventories done by the management during the year.

Independent Auditor's Report (Contd.)

Descriptions of Key Audit Matter	How we addressed the matter in our audit
To ensure that all inventories owned by the entity are recorded and recorded inventories exist as at the year-end and valuation has been done correctly, inventory valuation has been considered as Key audit matters.	• Verify that inventories are valued in accordance with Ind AS 2 • Verifying for a sample of individual products that costs have been correctly recorded. • Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year. Based on the audit procedures performed, we did not identify any material exceptions in the inventory valuation.
B. Revenue Recognition Refer to note 26 to the consolidated financial statements. Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. Revenue is recognized when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. Terms of sales arrangements, including the timing of transfer of control, delivery specifications including Incoterms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period. The estimation of discounts, rebates and price adjustments to be recognised based on sales made during the year is material and considered to be complex and judgmental.	As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition, estimation of discounts, rebates and price adjustments and evaluated the design and operative effectiveness of the financial controls for the above through our test of control procedures. • Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. • Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies. • Obtaining and inspecting, on a sample basis, supporting documentation for discounts, rebates and price adjustments recorded and disbursed / allowed during the year as well as credit notes issued after the year end to determine whether these were recorded appropriately. • Our audit procedures included, among other things, the evaluation of the process to calculate the provision for price adjustments and the evaluation of the relevant assumptions and their derivation for the measurement of the provisions. • We also compared costs incurred to the previously recognized provisions to assess the quality of the management estimates • Based on the evidence obtained, we concluded that management's process for identifying and quantifying the provision for rebates and price adjustments was appropriate and that the resulting provision was reasonable.

Independent Auditor's Report (Contd.)

Descriptions of Key Audit Matter	How we addressed the matter in our audit
Due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers 'and the judgments and estimates involved in making the estimation of discounts, rebates and price adjustments, we determined the recognition of revenue, estimation of discounts, rebated & price adjustments as a key audit matter.	• Performed procedures to identify any unusual trends of revenue recognition. • Traced disclosure information to accounting records and other supporting documentation. Based on the audit procedures performed, we did not identify any material exceptions in the revenue recognition and in estimation of discounts, rebates & price adjustments.

Information Other than the consolidated financial statements and Auditor's Report Thereon

5. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

   If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in

Independent Auditor's Report (Contd.)

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its Subsidiary Companies which are companies incorporated in India, has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph 15 of the section titled "Other Matters" in this audit report.

11. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31 March 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report

Independent Auditor's Report (Contd.)

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. (a) We did not audit the financial statements of 2 foreign subsidiaries (including 1 step down foreign subsidiary), whose financial statements reflects total assets (before consolidation adjustments) of ₹ 9170.41 lakhs and net assets of ₹ (-)13,196.10 lakhs as at 31 March 2025, total revenues (before consolidation adjustments) of ₹ 52,891.03 lakhs, total Net profit after tax (before consolidation adjustments) of ₹ 193.01 lakhs, total comprehensive income (before consolidation adjustments) of ₹ 193.01 lakhs for the year ended 31 March 2025 and net cash outflows (before consolidation adjustments) amounting to ₹ 492.87 lakhs for the financial year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

These subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) We did not audit the financial statements of 1 Subsidiary Company included in the Statement, whose financial statements (before consolidation adjustment) reflect total assets of ₹ 2,535.73 lakhs and net assets of ₹ 2436.01 lakhs as of 31 March 2025, total revenues of ₹ 776.90 lakhs, total net profit after tax of ₹ 223.03 lakhs, total comprehensive income of ₹ 223.03 lakhs for the period from 17 May 2024 to 31 March 2025 and net cash in-flow amounting to ₹ 48.65 lakhs for the period from 17 May 2024 to 31 March 2025 as considered in the consolidated financial statement. This financial statements / financial information has been audited by other auditors as per Indian GAAP whose reports have been furnished to us and in our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on the reports of the other auditors.

(c) The management of Holding Company has confirmed that 1 (one) foreign subsidiary has been incorporated on 07 February 2025, which has not carried out any financial activity during the period from 07 February 2025 to 31 March 2025 and accordingly no financial statement has been prepared.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Holding Company's Management.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 (xxi) of the Order, to the extent applicable.

17. As required by section 143 (3) of the Act, based on our audit we report that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of the other auditor.

Independent Auditor's Report (Contd.)

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Subsidiary Companies incorporated in India, none of the directors of the Holding Company, its Subsidiary Companies, incorporated in India are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditors' reports of the Holding Company and its Subsidiary Companies incorporated in India.

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

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

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31 March 2025 on the consolidated financial position of the group – Refer Note 8(d), 16(b), 24(c) and 35(a) to the consolidated financial statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 21 to the consolidated financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies incorporated in India.

iv. (a) The respective Managements of the Holding Company and its Subsidiary Company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Subsidiary Company that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such Subsidiary to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such Subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its Subsidiary Company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Subsidiary Company that, to the best of their

Independent Auditor's Report (Contd.)

knowledge and belief, no funds have been received by the Company or any of such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and performed by us and those performed by the auditors of the Subsidiary Company, which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The final dividend proposed in the previous year, declared, and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Holding Company has proposed dividend for the year, which is subject to the approval of the Members of the Holding company at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, performed by us and other auditors the Holding Company and its subsidiaries incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended 31 March 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and Subsidiary Companies (except as mentioned below) incorporated in India as per the statutory requirements for record retention to the extent applicable.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN: 25053816BMLLYH4675

Place: Kolkata
Date: 21 April 2025

Annexure "A"

to the Independent Auditor's Report

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Himadri Speciality Chemical Limited on the consolidated financial statements as of and for the year ended 31 March 2025)

(xxi) As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given comments (no qualification or adverse remarks) in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company.

SL	Name of Company	CIN	Holding Company/ Subsidiary/ Associate	Date of Respective Auditor's Report	Paragraph number in the respective CARO Reports
1	Himadri Speciality Chemical Limited	L27106WB1987PLC042756	Holding Company	21-04-2025	3(i)(c)*
2	Combe Projects Private Limited	U70101WB2010PTC153215	Subsidiary Company	19-04-2025	3(xvii)**
3	Himadri Clean Energy Limited	U20296WB2023PLC261077	Subsidiary Company	19-04-2025	3(xvii)**
4	Himadri Future Material Technology Limited	U20296WB2023PLC261076	Step-down Subsidiary Company	19-04-2025	3(xvii)**
5	Himadri Green Technologies Innovation Limited	U39000WB2023PLC265424	Step-down Subsidiary Company	19-04-2025	3(xvii)**

*Reporting related to immovable property acquired through scheme of amalgamation in earlier year not transferred in the name of the company.

**Represents reporting of cash loss incurred by the company during the year and preceding year.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN: 25053816BMLLYH4675

Place: Kolkata
Date: 21 April 2025

Annexure "B"

to the Independent Auditor's Report

(Referred to in paragraph 17(f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of Himadri Speciality Chemical Limited on the consolidated financial statements as of and for the year ended 31 March 2025)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company, as of and for the year ended 31 March 2025, we have audited the internal financial controls of Himadri Speciality Chemical Limited ("the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company and its Subsidiary Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by Holding Company and Subsidiary Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its Subsidiary Companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with respect to these consolidated financial statements included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor of the Subsidiary Companies, which are companies incorporated in India, in terms of their reports referred to in 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls over financial reporting with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure "B"

to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our and according to information provided to us and based on the considerations of the reports of the other auditors as referred in Other Matters paragraph below, the Holding Company and its Subsidiary Companies which are companies incorporated in India, have in all material respects, an adequate internal financial controls system with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at 31 March 2025, based on the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one Subsidiary Company, incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. - 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. - 053816
UDIN: 25053816BMLLYH4675

Place: Kolkata
Date: 21 April 2025

Consolidated Balance Sheet

as at 31 March 2025

Amount in ₹ Lakhs

	Note	31 March 2025	31 March 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4A	**1,50,242.91**	1,51,021.84
(b) Capital work-in-progress	4B	**18,524.82**	6,651.87
(c) Right of use assets	5	**2,127.45**	2,293.58
(d) Goodwill	6	**1,809.63**	-
(e) Intangible assets	6	**6,331.07**	82.22
(f) Financial assets			
(i) Investments	7	**57,800.41**	47,671.98
(ii) Trade receivables	8	**1,018.41**	1,018.41
(iii) Other financial assets	12	**7,613.42**	2,386.97
(g) Non-current tax assets (net)	13	**930.65**	733.06
(h) Other non-current assets	14	**4,077.82**	2,321.50
Total non-current assets		**2,50,476.59**	2,14,181.43
(2) Current assets			
(a) Inventories	15	**58,520.28**	70,252.06
(b) Financial assets			
(i) Investments	7	**416.65**	82.23
(ii) Trade receivables	8	**63,282.23**	65,564.98
(iii) Cash and cash equivalents	9	**15,510.61**	21,488.41
(iv) Bank balances other than (ii) above	10	**51,670.64**	51,652.73
(v) Loans	11	**208.52**	139.50
(vi) Other financial assets	12	**2,419.22**	2,876.37
(c) Other current assets	16	**23,096.51**	18,641.03
Total current assets		**2,15,124.66**	2,30,697.31
TOTAL ASSETS		**4,65,601.25**	4,44,878.74
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	17	**4,937.82**	4,925.95
(b) Other equity	18	**3,67,236.08**	2,99,631.57
Equity attributable to the owners of the Company		**3,72,173.90**	3,04,557.52
Non-controlling interests		**4,919.75**	(279.43)
Total equity		**3,77,093.65**	3,04,278.09
(2) Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	**272.58**	2,153.78
(ii) Lease liabilities	35(c)	**291.92**	309.60
(iii) Other financial liabilities	22	**25.77**	25.77
(b) Provisions	24	**1,109.92**	900.20
(c) Deferred tax liabilities (net)	33	**26,322.27**	16,913.24
Total non-current liabilities		**28,022.46**	20,302.59
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	**30,597.60**	57,888.19
(ii) Lease liabilities	35(c)	**181.90**	144.09
(iii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		**496.70**	292.03
- total outstanding dues of creditors other than micro enterprises and small enterprises		**23,435.13**	56,744.26
(iv) Derivatives	21	**423.83**	-
(v) Other financial liabilities	22	**3,508.40**	2,520.47
(b) Other current liabilities	23	**788.13**	1,737.75
(c) Provisions	24	**97.70**	110.38
(d) Current tax liabilities (net)	25	**955.75**	860.89
Total current liabilities		**60,485.14**	1,20,298.06
TOTAL EQUITY AND LIABILITIES		**4,65,601.25**	4,44,878.74

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Consolidated Statement of Profit and Loss

for the year ended 31 March 2025

Amount in ₹ Lakhs

	Note	Year ended 31 March 2025	Year ended 31 March 2024
I. Revenue from operations	26	**4,61,263.12**	4,18,489.03
II. Other income	27	**5,169.18**	4,251.77
III. **Total income (I + II)**		**4,66,432.30**	4,22,740.80
IV. **Expenses**			
Cost of materials consumed	28	**3,15,210.53**	3,06,697.60
Changes in inventories of finished goods and work-in-progress	29	**(507.60)**	(3,670.28)
Employee benefits expense	30	**13,938.55**	11,048.10
Finance costs	31	**4,477.24**	6,386.74
Depreciation and amortisation expense	4A, 5 and 6	**5,496.52**	4,985.87
Other expenses	32	**47,198.97**	39,907.16
Total expenses		**3,85,814.21**	3,65,355.19
V. **Profit before exceptional item and tax (III-IV)**		**80,618.09**	57,385.61
VI. **Exceptional items**	47	**-**	-
VII. **Profit before tax (V-VI)**		**80,618.09**	57,385.61
VIII. **Tax expenses**			
Current tax	33	**14,229.71**	10,096.88
Deferred tax	33	**10,778.99**	6,210.72
Income tax related to earlier years		**99.42**	9.83
Total tax expenses		**25,108.12**	16,317.43
IX. **Profit for the year (VII-VIII)**		**55,509.97**	41,068.18
X. **Other comprehensive income**	36		
A. Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the net defined benefit plan		**(103.21)**	(59.37)
(b) Net gain/ (loss) on investment in equity instruments accounted at fair value		**266.98**	6,035.00
(c) Income-tax relating to items that will not be reclassified to profit or loss		**1,367.28**	(1,306.26)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**1,531.05**	4,669.37
B. Items that will be reclassified subsequently to profit or loss			
(a) Exchange differences in translating financial statements of foreign operations		**422.18**	(20.57)
Net other comprehensive income to be reclassified subsequently to profit or loss		**422.18**	(20.57)
Other comprehensive income for the year (net of income tax)		**1,953.23**	4,648.80
XI. **Total comprehensive income for the year (IX+X)**		**57,463.20**	45,716.98
XII. **Profit attributable to:**			
Owners of the Company		**55,563.36**	41,077.16
Non-controlling interests		**(53.39)**	(8.98)
Profit after tax for the year		**55,509.97**	41,068.18
XIII. **Other comprehensive income attributable to:**			
Owners of the Company		**1,959.90**	4,637.82
Non-controlling interests		**(6.67)**	10.98
Other comprehensive income for the year		**1,953.23**	4,648.80
XIV. **Total comprehensive income attributable to:**			
Owners of the Company		**57,523.26**	45,714.98
Non-controlling interests		**(60.06)**	2.00
Total comprehensive income for the year		**57,463.20**	45,716.98
XV. **Earnings per equity share**	34		
[Face value of equity share **₹ 1 each** (previous year ₹ 1 each)]			
- Basic		**11.26**	9.16
- Diluted		**11.17**	9.16

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Place: Kolkata
Date: 21 April 2025

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

A. Equity share capital

Amount in ₹ Lakhs

	Note	Number	Amount
Balance as at 1 April 2023		43,27,07,198	4,327.07
Changes in equity share capital during the year	17	5,98,87,375	598.88
Balance as at 31 March 2024		49,25,94,573	4,925.95
Changes in equity share capital during the year	**17**	**11,87,651**	**11.87**
Balance as at 31 March 2025		**49,37,82,224**	**4,937.82**

B. Other equity

Amount in ₹ Lakhs

	Note	Reserves and surplus					Items of Other comprehensive income		Money received against share warrants	Total attributable to the owners of the Company	Attributable to Non-controlling interests	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Currency translation reserve	Equity instruments through other comprehensive income				
Balance at 1 April 2023		1,280.50	54,970.30	18,955.61	268.21	1,32,866.25	(2,490.44)	7,504.31	10,368.75	2,23,723.49	(281.43)	2,23,442.06
Total comprehensive income for the year ended 31 March 2024												
Profit for the year 2023-2024		-	-	-	-	41,077.16	-	-	-	41,077.16	(8.98)	41,068.18
Remeasurement of net defined benefit plan		-	-	-	-	(38.69)	-	-	-	(38.69)	-	(38.69)
Net change in fair value of Equity investments		-	-	-	-	-	(31.55)	4,708.06	-	4,676.51	10.98	4,687.49
Total comprehensive income for the year		-	-	-	-	41,038.47	(31.55)	4,708.06	-	45,714.98	2.00	45,716.98
Dividends	17I	-	-	-	-	(1,081.95)	-	-	-	(1,081.95)	-	(1,081.95)
Received on issue of share warrants convertible into equity shares		-	-	-	-	-	-	-	31,106.25	31,106.25	-	31,106.25
Conversion of share warrants into equity shares	17H	-	40,882.50	-	-	-	-	-	(41,475.00)	(592.50)	-	(592.50)
Issue of equity shares on exercise of employee stock option	38	-	145.11	-	(145.11)	-	-	-	-	-	-	-
Share based payments - Equity settled	38	-	761.30	-	-	-	-	-	-	761.30	-	761.30
Balance at 31 March 2024		1,280.50	96,759.21	18,955.61	123.10	1,72,822.77	(2,521.99)	12,212.37	-	2,99,631.57	(279.43)	2,99,352.14

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025 (Contd.)

B. Other equity (Contd.)

Amount in ₹ Lakhs

	Note	Reserves and surplus					Items of Other comprehensive income		Money received against share warrants	Total attributable to the owners of the Company	Attributable to Non-controlling interests	Total
		Capital reserve	Securities premium	General reserve	Share option outstanding reserve	Retained earnings	Currency translation reserve	Equity instruments through other comprehensive income				
Balance at 1 April 2024		1,280.50	96,759.21	18,955.61	123.10	1,72,822.77	(2,521.99)	12,212.37	-	2,99,631.57	(279.43)	2,99,352.14
Total comprehensive income for the year ended 31 March 2025												
Profit for the year 2024-2025		-	-	-	-	55,563.36	-	-	-	55,563.36	(53.39)	55,509.97
Remeasurement of net defined benefit plan		-	-	-	-	(77.23)	-	-	-	(77.23)	-	(77.23)
Net change in fair value of Equity investments		-	-	-	-	-	428.85	1,608.28	-	2,037.13	(6.67)	2,030.46
Total comprehensive income for the year		-	-	-	-	55,486.13	428.85	1,608.28	-	57,523.26	(60.06)	57,463.20
Dividends	17I	-	-	-	-	(2,467.58)	-	-	-	(2,467.58)	-	(2,467.58)
Reserve acquired on acquistion of Subsidiary		-	799.66	-	-	-	-	-	-	799.66	5,259.24	6,058.90
Received on issue of share warrants convertible into equity shares		-	-	-	-	-	-	-	8,924.63	8,924.63	-	8,924.63
Conversion of share warrants into equity shares	17H	-	504.00	-	-	-	-	-	(505.60)	(1.60)	-	(1.60)
On issue of shares to shareholders of Subsidiary Company			2,508.80							2,508.80		2,508.80
Issue of equity shares on exercise of employee stock option	38	-	47.67	-	(47.67)	-	-	-	-	-	-	-
Share based payments- Equity settled	38	-	317.34	-	-	-	-	-	-	317.34	-	317.34
Balance at 31 March 2025		1,280.50	1,00,936.68	18,955.61	75.43	2,25,841.32	(2,093.14)	13,820.65	8,419.03	3,67,236.08	4,919.75	3,72,155.83

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of Reserves:

(i) Capital reserve: Capital reserve represents profit or loss on purchase, sale, issue or cancellation of the Holding Company's own equity instruments.

(ii) Securities premium: Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025(Contd.)

(iii) General reserve: It represents a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of the Companies Act, 1956. Transfer of profit to general reserve is not mandatory under the Companies Act, 2013.

(iv) Share option outstanding reserve: The Holding Company has a stock option scheme under which options to subscribe for the Holding Company's share have been granted to certain executives and senior employees. The share option outstanding reserve is used to recognise the value of equity-settled share based payments provided to employees, including certain key management personnel, as part of their remuneration. (refer note 38).

(v) Retained earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to equity shareholders.

(vi) Equity instruments through other comprehensive income: The Group has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income (OCI). These changes are accumulated within the equity instruments through OCI shown under the head other equity. The Group transfers amounts therefrom to retained earnings when the relevant equity instruments are derecognised.

(vii) Money received against share warrants: The Holding Company had issued and allotted warrants, each convertible into one equity share of ₹ 1 each, on Preferential allotment basis to the Promoter/ Promoter Group of the Holding Company and certain identified non-promoter persons / entity, upon receipt of 25% of the issue price as warrant subscription money. Balance 75% of the issue price was payable within 18 months from the date of allotment at the time of exercising the option to apply for fully paid-up equity share of ₹ 1 each of the Holding Company, against each warrant held by the warrant holder. On conversion of such warrants into equity shares, the Holding Company transfers the amount therefrom to securities premium and share capital.

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

Accounting Policy

Cash flows are reported using the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013, whereby the profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

Amount in ₹ Lakhs

	Year ended 31 March 2025		Year ended 31 March 2024	
A. Cash flows from operating activities				
Net profit before tax		**80,618.09**		57,385.61
Adjustments for:				
Depreciation and amortisation expense	**5,496.52**		4,985.87	
Finance costs	**4,477.24**		6,386.74	
Interest income	**(4,389.59)**		(3,615.39)	
Net (gain)/ loss on fair valuation of investments through profit or loss	**(343.43)**		(2.23)	
Net (gain)/ loss on sale of current investments carried at Fair value through profit and loss (FVTPL)	**(15.07)**		(110.88)	
Loss allowance for doubtful trade receivables	**-**		182.99	
Unrealised foreign exchange fluctuation (gain)/ losses, net	**134.11**		(517.27)	
Exchange differences in translating financial statements of foreign operations (gain)/ losses, net	**286.01**		224.34	
Loss/ (gain) (net) on sale of property, plant and equipment	**0.68**		5.14	
		5,646.47		7,539.31
Cash generated from/ (used in) operations before working capital changes		**86,264.56**		64,924.92
Movement in working capital:				
(Increase)/ Decrease in inventories	**11,742.77**		(15,830.42)	
(Increase)/ Decrease in trade receivables	**2,700.51**		(15,032.54)	
(Increase)/ Decrease in financial and other assets	**(8,349.90)**		(203.96)	
Increase/ (Decrease) in trade payables	**(33,120.62)**		22,378.21	
Increase/ (Decrease) in financial liabilities (net)	**693.62**		(395.31)	
Increase/ (Decrease) in other liabilities and provisions (net)	**(813.21)**		(6,079.73)	
		(27,146.83)		(15,163.75)
Cash generated from/ (used in) operations		**59,117.73**		49,761.17
Taxes paid		**(14,431.86)**		(9,285.28)
Net cash generated from/ (used in) operating activities		**44,685.87**		40,475.89
B. Cash flows from investing activities				
Purchase of property, plant and equipment	**(17,059.68)**		(5,236.08)	
Proceeds from sale of property, plant and equipment	**9.45**		10.55	
Purchase of intangible assets	**(25.00)**		(38.69)	
Interest income received	**4,815.85**		3,145.05	
Sale/ (Purchase) of current investments (net)	**(243.17)**		(64.22)	
Sale of non-current investments	**-**		13,800.00	
Purchase of non-current investments	**(9,518.02)**		(42,151.01)	
Redemption of bank deposits (having maturity of more than 3 months)	**51,606.10**		41,654.02	
Investment in bank deposits (having maturity of more than 3 months)	**(53,105.58)**		(51,606.11)	
Net cash generated from/ (used in) investing activities		**(23,520.05)**		(40,486.49)
C. Cash flows from financing activities				
Proceeds from allotment of equity shares under employee stock options	**319.64**		767.68	
Proceeds from issue of warrants convertible into equity shares	**8,924.63**		31,106.25	
Proceeds from non-current borrowings	**-**		270.06	
Repayment of non-current borrowings	**(3,285.11)**		(6,168.23)	
Proceeds from/ (Repayment of) current borrowings (net)	**(26,243.07)**		(18,110.77)	
Interest paid	**(4,193.73)**		(6,291.95)	

Consolidated Statement of Cash Flows

for the year ended 31 March 2025 (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025		Year ended 31 March 2024	
Payment of lease liabilities (principal portion)	**(171.84)**		(123.18)	
Payment of lease liabilities (interest portion)	**(29.19)**		(24.18)	
Net proceeds/ (Outflow) on settlement of derivative contracts	**(3.23)**		374.93	
Dividend paid	**(2,467.58)**		(1,081.95)	
Net cash generated from/ (used in) financing activities		**(27,149.48)**		718.66
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**(5,983.66)**		708.06
Cash and cash equivalents at the beginning of the year (refer note 9)		**21,488.41**		20,780.33
Cash acquired on acquisition of subsidiaries		**7.02**		-
Effect of exchange rate fluctuations on cash held in foreign currency (EEFC accounts)		**(1.16)**		0.02
Cash and cash equivalents at the end of the year (refer note 9)		**15,510.61**		21,488.41

Notes:

1. Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

2. Changes in liability arising from financing activities:

Amount in ₹ Lakhs

	1 April 2024	Cash flow (net)	Foreign exchange movement	Additions	Other changes##	31 March 2025
Borrowings (refer note 19)	**60,041.97**	**(29,528.18)**	**196.51**	**152.18#**	**7.70**	**30,870.18**
Derivative contracts	**(101.39)**	**(3.23)**	**-**	**-**	**528.45**	**423.83**
Lease Liabilities	**453.69**	**(201.03)**	**6.56**	**185.41**	**29.19**	**473.82**
Interest accrued	**407.50**	**(4,193.73)**	**(210.18)**	**4,477.24**	**(36.89)**	**443.94**

Amount in ₹ Lakhs

	1 April 2023	Cash flow (net)	Foreign exchange movement	Additions	Other changes##	31 March 2024
Borrowings (refer note 19)	83,619.61	(24,008.94)	408.88	-	22.42	60,041.97
Derivative contracts	11.00	374.93	-	-	(487.32)	(101.39)
Lease Liabilities	592.73	(147.36)	(15.86)	-	24.18	453.69
Interest accrued	671.71	(6,291.95)	(312.40)	6,386.74	(46.60)	407.50

#Additions with respect to borrowings represent addition on account of acquisition of subsidiary Company.

##Other changes with respect to borrowings, lease liabilities and interest accrued represent adjustment for effective interest and for derivative contracts, it represents fair value changes.

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

1. Reporting entity

Himadri Speciality Chemical Limited ("the Holding Company" or "the Company") is a public company domiciled and headquartered in India, having its registered office situated at 23A, N. S. Road, Kolkata - 700 001 and corporate office situated at 8, India Exchange Place, 2nd floor, Kolkata -700 001. The Holding Company was originally incorporated on 28 July 1987 and its equity shares are listed on National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE). The Holding Company is primarily engaged in the manufacturing of carbon materials and chemicals. The Holding Company has operations in India and caters to both domestic and international markets.

The Holding Company has wholly-owned subsidiary in the name of Combe Projects Private Limited (w.e.f 20 July 2023), Himadri Clean Energy Limited (w.e.f 30 November 2023) and step-down wholly subsidiary in the name of Himadri Future Material Technology Limited (w.e.f 01 February 2024), Himadri Green Technologies Innovation Limited (w.e.f. 01 August 2024) all incorporated in India.

The Holding Company has acquired 40% paid-up share capital of M/s. Invati Creations Private Limited (ICPL), incorporated in India and this voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However, based on contractual rights (including potential voting right combined with 40% voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Holding Company has decided to consolidate the financial results of ICPL as a subsidiary with effect from 17 May 2024.

The Holding Company also has wholly-owned subsidiary in the name of AAT Global Limited, incorporated in Hong Kong, step-down subsidiary with 94% shareholding in the name of Shandong Dawn Himadri Chemical Industry Ltd, incorporated in China and wholly-owned subsidiary in the name of Himadri Speciality Inc, incorporated in USA (w.e.f 07 February 2025), collectively referred to as "the Group".

The Consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company at their meeting held on 21 April 2025.

A. Statement of Compliance

These Consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act"), notified under Section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable, to the Financial Statements.

B. Recent amendments:

a. New and amended standards adopted by the Company.

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. 1 April, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b. New and amended standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, there are no standards that are notified and not yet effective as on date.

2. Basis of preparation and measurement of Consolidated financial statements

(a) Basis of preparation and measurement

The Consolidated financial statements have been prepared on historical cost convention on the accrual basis, except for certain financial instruments, defined benefit plans and employee share-based payments which are measured at fair value or amortised cost at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

participants at the measurement date under current market conditions.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of product and time elapsed between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered an operating cycle of 12 months for the purpose of non- current and current classification of its assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Group determines materiality depending on the nature or magnitude of information, or both. Information is material if omitting, misstating or obscuring it could reasonably influence decisions made by the primary users, on the basis of those financial statements.

(b) Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency.

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at an average rate which approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All Financial information presented in INR has been rounded off to nearest two decimals of Lakhs, unless otherwise indicated.

3. Material Accounting Policies

Material accounting policy information has been identified and disclosed based on the guidance provided under Ind AS 1. The material accounting policy information used in preparation of the Consolidated financial statements have been disclosed in the respective notes.

3.1 Key accounting estimates and judgements

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revisions to accounting estimates are recognised prospectively. The changes in the estimates are reflected in the Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Critical accounting estimates and key sources of estimation uncertainty: Key assumptions

(i) Useful lives of Property, plant and equipment and Other intangible assets

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets (refer note 4A and 6).

(ii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as volatility risk and credit risk (refer note 41).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

(iii) Defined benefit plan

The Group provides defined benefit employee retirement plans. Measurement of such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation (refer note 24).

(iv) Recognition of current tax and deferred tax (including MAT credit entitlements)

The Group uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances, and disallowances which is exercised while determining the provision for income tax. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability (refer note 33).

(v) Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers at transaction price that reflects the consideration which the Group expects to receive in exchange for those products or services. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers the terms of the contract in determining the transaction price. For incentives/discounts offered to customers/ dealers, the Group makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

(vi) Determination of lease liabilities

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics [refer note 35(c)].

(vii) Determination of Right of use (ROU) assets

Certain key assumptions used in determination of ROU assets and liabilities, incremental borrowing rate and lease term. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (refer note 5).

(viii) Loss allowance on trade receivables

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with, and the countries where it operates. The identification of credit impaired balances of trade receivable requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables, and credit impaired expenses in the period in which such estimate has been changed (refer note 8, 41 and 42).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

3.2 Basis of consolidation

(i) Subsidiaries

These Consolidated financial statements are prepared in accordance with Ind AS on "*Consolidated Financial Statements*" (Ind AS 110), specified under Section 133 of the Act.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated financial statements from the date on which control commences until the date on which control ceases. Subsidiaries considered in the Consolidated financial statements are:

Name of the Company	Country of incorporation	**31 March 2025 shareholding %**	31 March 2024 shareholding %
Incorporated outside India			
AAT Global Limited	Hong Kong	**100%**	100%
Shandong Dawn Himadri Chemical Industry Ltd	China	**94%**	94%
Himadri Speciality Inc (w.e.f. 7 February 2025)*	USA	**100%**	-
Incorporated in India			
Combe Projects Private Limited (w.e.f 20 July 2023)	India	**100%**	100%
Himadri Clean Energy Limited (w.e.f 30 November 2023)	India	**100%**	100%
Himadri Future Material Technology Limited (w.e.f 01 February 2024)	India	**100%**	100%
Himadri Green Technologies Innovation Limited (w.e.f. 01 August 2024)	India	**100%**	-
Invati Creations Private Limited (w.e.f. 17 May 2024) **	India	**40%**	-

* The holding Company has incorporated a wholly owned subsidiary (WOS) under the name of "Himadri Speciality Inc" in United States of America on 07 February 2025. The WOS is yet to commence business operations as on 31 March 2025.

** The Holding Company has acquired 40% paid-up share capital of M/s. Invati Creations Private Limited (ICPL) and this voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right combined with 40% voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Holding Company has decided to consolidate the financial results of ICPL as a subsidiary with effect from 17 May 2024.

(ii) Non-controlling interest (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

(iv) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiaries used in the consolidation procedures are drawn upto the same reporting date i.e 31 March 2025.

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

4A. Property, plant and equipment

Accounting Policy

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Group, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance which can be measured reliably are capitalised and depreciated over their useful life where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other costs are charged to profit and loss during the reporting period in which they are incurred.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Depreciation is calculated on estimated useful life using the written down value method for Property, plant and equipment situated at Liluah Unit - I (Howrah), Vapi and Vizag, and on property, plant and equipment situated at other locations are provided on straight line method over the useful life of assets, at the rates and in the manner specified in Part C of Schedule II of the Act except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation.

The estimated useful life, depreciation method and residual value are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the asset.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight-line basis over the period of respective lease, except land acquired on perpetual lease. Useful life and residual values are reviewed at each financial year end and adjusted, as appropriate. Leasehold improvements are amortised/ depreciated over the remaining tenure of the contract.

The estimated useful life of items of property, plant and equipment for the current period are as follows:

Asset	Management estimate of useful life (in years)
Buildings	10-60
Plant and equipment	5-60
Office equipment	3-25
Vehicles	8-10
Furniture and fixtures	10

Based on technical assessment done by experts in earlier years and management's estimate:

- Useful life of property, plant and equipment are different than those indicated in Schedule II to the Act, as stated above.
- Residual value on property, plant and equipment has been estimated at 5% of the cost, specified in Schedule II of the Act.

The management believes that these estimated useful life and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

4A. Property, plant and equipment (Contd.)

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use/ (disposed off).

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Reconciliation of carrying amount

Amount in ₹ Lakhs

	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Gross carrying amount									
Balance at 1 April 2023	5,653.67	123.53	15,754.45	1,90,359.19	1,276.41	1,724.40	2,695.47	391.45	2,17,978.57
Additions during the year	77.68	-	956.66	5,348.18	11.72	500.75	169.96	26.11	7,091.06
Discard/ disposals during the year	-	-	-	-	-	(126.91)	-	-	(126.91)
Exchange differences on translation of foreign operations	-	-	(195.16)	(245.30)	(2.58)	(3.72)	(5.03)	-	(451.79)
Balance at 31 March 2024	5,731.35	123.53	16,515.95	1,95,462.07	1,285.55	2,094.52	2,860.40	417.56	2,24,490.93
Balance at 1 April 2024	**5,731.35**	**123.53**	**16,515.95**	**1,95,462.07**	**1,285.55**	**2,094.52**	**2,860.40**	**417.56**	**2,24,490.93**
Acquired on acquisition of subsidiary company	**-**	**-**	**-**	**46.72**	**3.32**	**77.89**	**2.00**	**-**	**129.93**
Additions during the year	**-**	**-**	**27.79**	**3,142.23**	**29.82**	**299.90**	**154.60**	**152.94**	**3,807.28**
Discard/ disposals during the year	**-**	**-**	**-**	**-**	**-**	**(73.57)**	**-**	**-**	**(73.57)**
Exchange differences on translation of foreign operations	**-**	**-**	**113.32**	**142.43**	**1.50**	**2.16**	**2.92**	**-**	**262.33**
Balance at 31 March 2025	**5,731.35**	**123.53**	**16,657.06**	**1,98,793.45**	**1,320.19**	**2,400.90**	**3,019.92**	**570.50**	**2,28,616.90**
Accumulated depreciation and amortisation									
Balance at 1 April 2023	-	10.85	5,910.77	59,157.55	911.52	962.50	1,874.55	338.51	69,166.25
Depreciation/ amortisation for the year	-	1.55	328.06	3,913.47	49.90	156.07	161.97	35.86	4,646.88
Discard/ disposals during the year	-	-	-	-	-	(111.21)	-	-	(111.21)
Exchange differences on translation of foreign operations	-	-	(100.18)	(121.90)	(2.52)	(3.54)	(4.69)	-	(232.83)
Balance at 31 March 2024	-	12.40	6,138.65	62,949.12	958.90	1,003.82	2,031.83	374.37	73,469.09

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

4A. Property, plant and equipment (Contd.)

Amount in ₹ Lakhs

	Freehold Land	Leasehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Balance at 1 April 2024	-	12.40	6,138.65	62,949.12	958.90	1,003.82	2,031.83	374.37	73,469.09
Acquired on acquisition of subsidiary company	-	-	-	10.66	1.50	14.78	0.96	-	27.90
Depreciation/ amortisation for the year	-	1.55	342.21	4,046.13	40.28	213.03	153.18	5.10	4,801.48
Discard/ disposals during the year	-	-	-	-	-	(63.44)	-	-	(63.44)
Exchange differences on translation of foreign operations	-	-	59.55	73.16	1.46	2.06	2.73	-	138.96
Balance at 31 March 2025	-	13.95	6,540.41	67,079.07	1,002.14	1,170.25	2,188.70	379.47	78,373.99
Net carrying amount									
At 31 March 2024	5,731.35	111.13	10,377.30	1,32,512.95	326.65	1,090.70	828.57	43.19	1,51,021.84
At 31 March 2025	5,731.35	109.58	10,116.65	1,31,714.38	318.05	1,230.65	831.22	191.03	1,50,242.91

Notes:

(a) As at 31 March 2025, Property, plant and equipment with net carrying amount of **₹ 1,37,733.16 Lakhs** (31 March 2024: ₹ 1,38,572.66 Lakhs) are subject to first charge to secure borrowings (refer note 19).

(b) Gross carrying amount includes Research and development assets (Building, Plant and equipment, Furniture and fixtures and Office equipment) of **₹ 2,830.70 Lakhs** (31 March 2024: ₹ 2,488.59 Lakhs) and net carrying amount of **₹ 1,698.58 Lakhs** (31 March 2024: ₹ 1,334.07 Lakhs). Additions to the Research and development assets during the year 2024-2025 is **₹ 342.11 Lakhs** (2023-2024: ₹ 445.29 Lakhs).

(c) For contractual commitment with respect to Property, plant and equipment, refer note 35(b).

(d) The Group has not revalued its property, plant and equipment during the year ended 31 March 2025 and also during previous year ended 31 March 2024.

(e) The Group has performed an assessment of its property plant and equipment for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the property plant and equipment are impaired.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

4B. Capital work-in-progress

Accounting Policy

Capital work-in-progress assets in the course of construction for production or/and supply of goods or services or administrative purposes, or for purposes not yet determined, which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital work-in-progress and are carried at cost, less any recognised impairment loss, if any. Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

Directly attributable expenditure (including finance costs relating to borrowed funds/general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Balance at the beginning of the year	**6,651.87**	9,353.11
Acquired on acquisition of subsidiary Company	**21.20**	-
Additions during the year	**15,679.82**	4,428.51
Capitalised during the year	**(3,828.07)**	(7,129.75)
Balance at the end of the year	**18,524.82**	6,651.87

The Group has performed an assessment of its Capital work in progress for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Capital work in progress are impaired.

5. Right of use assets

Accounting Policy

The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Amount in ₹ Lakhs

	Land	Buildings	Total
Gross carrying amount			
Balance at 1 April 2023	3,780.76	188.64	3,969.40
Additions during the year	-	-	-
Discard/ disposals during the year	-	-	-
Exchange differences on translation of foreign operations	(41.81)	-	(41.81)
Balance at 31 March 2024	3,738.95	188.64	3,927.59
Balance at 1 April 2024	**3,738.95**	**188.64**	**3,927.59**
Additions during the year	**-**	**189.32**	**189.32**
Discard/ disposals during the year	**-**	**-**	**-**
Exchange differences on translation of foreign operations	**24.27**	**-**	**24.27**
Balance at 31 March 2025	**3,763.22**	**377.96**	**4,141.18**
Accumulated amortisation			
Balance at 1 April 2023	1,235.84	97.24	1,333.08
Amortisation during the year	279.06	37.73	316.79
Discard/ disposals during the year	-	-	-
Exchange differences on translation of foreign operations	(15.86)	-	(15.86)
Balance at 31 March 2024	1,499.04	134.97	1,634.01
Balance at 1 April 2024	**1,499.04**	**134.97**	**1,634.01**
Amortisation during the year	**280.19**	**88.06**	**368.25**
Discard/ disposals during the year	**-**	**-**	**-**
Exchange differences on translation of foreign operations	**11.47**	**-**	**11.47**
Balance at 31 March 2025	**1,790.70**	**223.03**	**2,013.73**
Net carrying amount			
At 31 March 2024	2,239.91	53.67	2,293.58
At 31 March 2025	**1,972.52**	**154.93**	**2,127.45**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

6. Intangible assets

Accounting Policy

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortized over their estimated useful life using straight line method which reflects the pattern in which the economic benefits are expected to be consumed and have a useful life of 3 to 5 years for computer software and 4 to 20 years for Patent and Trade mark rights.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Reconciliation of carrying amount of intangible assets (Computer software, Patent and Trade mark)

Amount in ₹ Lakhs

	Computer Software	Patent & Trade mark	31 March 2025
Gross carrying amount			
Balance at 1 April 2024	**412.85**	**-**	**412.85**
Acquired on acquisition of subsidiary company	**-**	**4.22**	**4.22**
Patent recognised on business combination (refer note below)	**-**	**6,552.41**	**6,552.41**
Additions during the year	**20.78**	**-**	**20.78**
Discard/ disposals during the year	**-**	**-**	**-**
Exchange differences on translation of foreign operations	**-**	**-**	**-**
Balance at 31 March 2025	**433.63**	**6,556.63**	**6,990.26**
Accumulated amortisation			
Balance at 1 April 2024	**330.63**	**-**	**330.63**
Acquired on acquisition of subsidiary company		**1.77**	**1.77**
Amortisation during the year	**33.38**	**293.41**	**326.79**
Discard/ disposals during the year	**-**	**-**	**-**
Exchange differences on translation of foreign operations	**-**	**-**	**-**
Balance at 31 March 2025	**364.01**	**295.18**	**659.19**
Net carrying amount	**69.62**	**6,261.45**	**6,331.07**

Amount in ₹ Lakhs

	Computer Software	Patent & Trade mark	31 March 2024
Gross carrying amount			
Balance at 1 April 2023	374.16	-	374.16
Acquired on acquisition of subsidiary company	-	-	-
Additions during the year	38.69	-	38.69
Discard/ disposals during the year	-	-	-
Balance at 31 March 2024	412.85	-	412.85
Accumulated amortisation			
Balance at 1 April 2023	308.43	-	308.43
Acquired on acquisition of subsidiary company	-	-	-
Amortisation during the year	22.20	-	22.20
Discard/ disposals during the year	-	-	-
Balance at 31 March 2024	330.63	-	330.63
Net carrying amount	82.22	-	82.22

The Holding Company has capitalised the Patents acquired on business combination at full value of **₹ 6,552.41 Lakhs**. The Holding Company's share of Patent (40%) has been adjusted with the purchase consideration paid and the balance 60% has been adjusted with the non controlling interest.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

6. Intangible assets (Contd.)

Intangible assets under development - ₹ Nil

(i) The Group has not revalued its intangible asssets during the year ended 31 March 2025 and also during previous year ended 31 March 2024

(ii) The Group has performed an assessment of its Intangible Assets with indefinite useful lives, for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Intangible assets are impaired.

Goodwill

Accounting Policy

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of acquired companies. Goodwill arising out of business combination is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the synergies of the combination. Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if indication of impairment exists. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Holding Company on 17 May 2024, has acquired 40% paid-up equity share capital of Invati Creations Private Limited ("Target Company"), for a total purchase consideration of ₹ 4,516.13 Lakhs. The purchase consideration has been discharged in the following manner –

i. ₹ 1,999.36 Lakhs has been paid in cash against fresh issue of 2,152 equity shares of ₹ 10.00 each constituting 17.71% stake, of the Target Company; and

ii. ₹ 2,516.77 Lakhs payable for acquiring 2,709 equity shares of ₹ 10.00 each, constituting 22.29% stake, of the Target Company from the existing shareholders of the Target Company for consideration other than cash has been settled by way of issue and allotment of 7,96,446 equity shares of the Holding Company having face value of ₹ 1 each, at a price of ₹ 316.00 per equity share (including a premium of ₹ 315.00 per equity share) to the existing shareholders of the Target Company.

This voting right does not qualify ICPL as a subsidiary under Section 2(87) of the Companies Act, 2013. However based on contractual rights (including potential voting right combined with 40% voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has control over ICPL as per IND AS 110: "Consolidated Financial Statements." Consequently, the management of the Holding Company has decided to consolidate the financial results of ICPL as a subsidiary with effect from 17 May 2024.

The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Ind AS 103 'Business Combinations' and the group has completed the process of ascertaining fair value of the assets acquired and liabilities assumed for the purpose of allocating the purchase price. The value of Goodwill on acquisition has been arrived as under:

	Amount in ₹ Lakhs
	31 March 2025
Purchase Consideration as per Ind AS 103	**4,516.13**
Fair Value of Net Identifiable assets acquired on 17 May 2024	
- Net assets taken over	**85.54**
- Patent recognised on business combination (40%)	**2,620.96**
Goodwill	**1,809.63**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets

Accounting Policy

All financial assets are recognised on trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified at fair value through profit or loss (FVTPL) at inception. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under Ind AS 32 Financial Instruments: Presentation). All other non-derivative financial assets are 'debt instruments'.

Initial Recognition and Subsequent Recognition

(i) Amortised Cost

Financial assets are subsequently measured at amortised cost using the effective interest method, if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Financial assets classified at amortised cost comprise trade receivables, government securities etc.

(ii) Fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

On intial recognition, the Group has an irrevocable option to present changes in the fair value of equity investments not held for trading in OCI. This option is made on an investment-by-investment basis.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in other Equity. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other Equity is directly reclassified to retained earnings.

(iii) Fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Disclosure related to Fair value measurement of financial instruments (refer note 41).

De-recognition of Financial Assets:

The Group derecognises financial assets on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial assets and substantially all the risks and rewards of ownership to another entity or when it retains contractual rights to retain contractual cash flows from asset, but assumes a contractual obligation to pay the cash flows to one or more recipient.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Cont.)

Impairment of Financial Assets

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment loss or gain in the statement of profit and loss.

Investments

A. Non-current investments

(All the investments are fully paid, unless otherwise stated)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Investments carried at fair value through other comprehensive income (FVOCI)		
Equity instruments		
Quoted		
3,34,900 (31 March 2024: 3,34,900) equity shares of Himadri Credit & Finance Limited (face value - ₹ 10 each)	**1,202.29**	944.42
8,000 (31 March 2024: 8,000) equity shares of Transchem Limited (face value - ₹ 10 each)	**2.65**	2.24
	1,204.94	946.66
Unquoted		
17,000 (31 March 2024: 17,000) equity shares of Himadri e-Carbon Limited (face value - ₹ 10 each)	**2.67**	1.87
22 (31 March 2024: 22) equity shares of Modern Hi-Rise Private Limited (face value - ₹ 10 each)	**28.08**	20.19
1 (31 March 2024: 1) equity share of Birla Tyres Limited (face value - ₹ 10 each)#	**0.00**	0.00
	30.75	22.06
Preference shares (unquoted)		
12,48,774 (31 March 2024: 12,48,774) 1% Non-cumulative optionally convertible preference shares of Modern Hi-Rise Private Limited (face value - ₹ 10 each) (refer note a)	**18,257.08**	18,257.08
	18,257.08	18,257.08
Investments carried at fair value through profit or loss (FVTPL)		
Preference shares (unquoted)		
1 (31 March 2024: 1) 8% Redeemable Preference Share of of Dalmia Bharat Refractories Limited (face value - Rs 10 each) (refer note f)#	**0.00**	0.00
42,41,143 (31 March 2024: 42,41,143) Class A Preference shares of Sicona Battery Technologies Pty Ltd (face value - AUD 1 each)	**5,543.44**	5,611.01
	5,543.44	5,611.01
Compulsorily Convertible Notes (CCN)		
9,00,000 (31 March 2024: Nil) Unsecured Compulsorily Convertible Notes (CCN) of Sicona Battery Technologies Pty Ltd (face value - AUD 1 each) (refer note e)	**476.26**	-
Debentures (unquoted)		
49,99,999 (31 March 2024: 49,99,999) 0.01% Secured Optionally Convertible Debentures (OCDs) of Birla Tyres Limited (face value - ₹ 10 each) (refer note b)	**508.37**	718.50
1,50,00,000 (31 March 2024: 1,50,00,000) 0.01% Secured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (face value - ₹ 10 each) (refer note c)	**1,473.80**	1,465.50

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Cont.)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
11,80,00,000 (31 March 2024: 11,80,00,000) 0.01% Unsecured Optionally Convertible Debentures (OCDs) of Himadri Birla Tyre Manufacturer Private Limited (face value - ₹10 each) (refer note c)	**11,581.20**	11,517.30
	14,039.63	13,701.30
Non convertible debenture (NCDs) (unquoted)		
17,94,00,000 (31 March 2024: 8,94,00,000) 0.001% Secured, redeemable Non-Convertible Debentures (NCDs) of Dalmia Bharat Refractories Limited (face value - ₹10 each) (refer note d)	**18,724.50**	9,133.80
Government securities (unquoted) carried at amortised cost		
Kisan Vikas Patra (deposited with sales tax authorities)	**0.07**	0.07
	57,800.41	47,671.98
Aggregate book value of quoted investments	**1,204.94**	946.66
Aggregate market value of quoted investments	**1,204.94**	946.66
Aggregate value of unquoted investments (net)	**56,595.47**	46,725.32
Aggregate amount of impairment in book value of unquoted investments	**-**	-
Investment carried at amortised cost	**0.07**	0.07
Investment carried at fair value through profit or loss (FVTPL)	**38,307.57**	28,446.11
Investment carried at fair value through other comprehensive income (FVOCI)	**19,492.77**	19,225.80

Below rounding off norms of the Group

(a) Non-cumulative optionally convertible Preference shares (OCPS) of Modern HI-Rise Private Limited (MHPL) are convertible/ redeemable at any time before the expiry of 20 years from the date of allotment (i.e. 1 March 2019) at the option of the Issuer. Each OCPS, if not opted for conversion shall be redeemable at value equal to fair market value (post considering the market value of underlying assets) of the proportionate equity shares of the Issuer (if it were converted) as on 1 June 2018 (i.e. amalgamation appointed dated). The outstanding OCPS, if not redeemed, would be converted into equity shares at any time at the option of the Issuer, but not later than 20 years from the date of allotment at the option of the Issuer in a manner that the Holding Company would obtain same proportion of equity shareholding (ownership) of the Issuer as on 1 June 2018 i.e. 7.7% of the total outstanding as on 1 June 2018 and would be subject to any dilution thereof pursuant to fresh allotment by MHPL. In case conversion is made by the Issuer, the OCPS will be converted into 6,253 equity shares (i.e. fixed number of equity shares) whenever converted.

(b) Optionally Convertible Debentures (OCDs) issued by Birla Tyres Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

(c) Optionally Convertible Debentures (OCDs) issued by Himadri Birla Tyre Manufacturer Private Limited (Issuer) are Convertible into equal number of equity shares at the option of the Debenture Holder any time within 5 years from the date of allotment. OCDs shall be redeemed upon expiry of 5 years from the date of allotment, if not converted by Debenture Holder, at a premium as may be fixed by the Issuer at the time of redemption.

(d) Redeemable Non-Convertible Debentures (NCDs) issued by Dalmia Bharat Refractories Limited (Issuer) are redeemable on expiry of 5 years from the date of Allotment unless mutually extended by the Issuer and Debenture Holder. However, both parties may mutually agree for part redemption of debentures. NCDs shall be subject to such other terms and conditions (including redemption premium, if any) as may be agreed between the Issuer and Debenture Holder.

(e) The Compulsorily Convertible Notes (CCNs) issued by Sicona Battery Technologies Pty Ltd (Issuer) are convertible into Ordinary Shares as per the specific terms prescribed under the Compulsorily Convertible

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Cont.)

Note Agreement entered into the holding company and the Issuer as on September 2024. The CCNs shall be converted into Ordinary Shares of the Issuer as per the time frames outlined under Compulsorily Convertible Note Agreement but not later than 20 June 2026.

(f) 8% Redeemable Preference Share of Dalmia Bharat Refractories Limited was issued and allotted against discharge of Purchase Consideration for demerger of Tyre Undertaking of Birla Tyres Limited, in accordance with the approved resolution plan (as defined in Schedule 8 scheme of demerger therein) and NCLT order dated 19 October 2023, w.e.f. 6 May 2022.

These redeemable Preference Shares are redeemable at the option of Redeemable Preference shareholder anytime within 5 years at Par. These redeemable Preference Shares carry dividend @8% p.a. on its face value on Non-Cumulative basis.

Information about the Group's fair value measurement and exposure to credit and market risks are disclosed in note 41 and 42.

B. Current investments

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Mutual funds (quoted) carried at fair value through profit or loss		
Nil (31 March 2024: 1,875.118) units of LIC MF Liquid fund - Direct plan - Growth	**-**	82.23
1,115.444 (31 March 2024: Nil) units of ABSL Overnight fund - Growth - Regular plan (Quoted)	**15.26**	-
18,550.595 (31 March 2024: Nil) units of Axis Liquid Fund - Regular Growth (Quoted)	**401.39**	-
	416.65	82.23
Aggregate book value of quoted investments	**416.65**	82.23
Aggregate market value of quoted investments	**416.65**	82.23

Investments in mutual funds amounting to **₹ Nil** (31 March 2024: ₹ Nil) are pledged with banks against various credit facilities availed by the Group.

Information about the Group's fair value measurement and exposure to credit and market risks are disclosed in note 41 and 42.

C. Investments designated at fair value

Amount in ₹ Lakhs

	Fair value as at 31 March 2025	Dividend income recognised during 2024-2025	Fair value as at 31 March 2024	Dividend income recognised during 2023-2024	Fair Value as at 1 April 2023
Fair value through other comprehensive income					
Equity shares					
Investment in Himadri Credit & Finance Limited	**1,202.29**	**-**	944.42	-	606.17
Investment in Transchem Limited	**2.65**	**-**	2.24	-	1.51
Investment in Modern Hi-Rise Private Limited	**28.08**	**-**	20.19	-	5.90
Investment in Himadri e-Carbon Limited	**2.67**	**-**	1.87	-	2.06
Investment in Birla Tyres Limited#	**0.00**	**-**	0.00	-	-
Preference shares					
Investment in Modern Hi-Rise Private Limited	**18,257.08**	**-**	18,257.08	-	12,575.16

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

7. Financial Assets (Cont.)

Amount in ₹ Lakhs

	Fair value as at 31 March 2025	Dividend income recognised during 2024-2025	Fair value as at 31 March 2024	Dividend income recognised during 2023-2024	Fair Value as at 1 April 2023
Fair value through profit or loss (FVTPL)					
Preference shares					
Investment in Dalmia Bharat Refractories Limited#	**0.00**	**-**	0.00	-	-
Investment in Sicona Battery Technologies Pty Ltd	**5,543.44**	**-**	5,611.01	-	-
Compulsorily Convertible Notes (CCN)					
Investment in Sicona Battery Technologies Pty Ltd	**476.26**	**-**	-	-	-
Optionally convertible debentures (OCDs)					
Investment in Birla Tyres Limited	**508.37**	**-**	718.50	-	-
Investment in Himadri Birla Tyre Manufacturer Private Limited	**13,055.00**	**-**	12,982.80	-	-
Non convertible debentures (NCDs)					
Investment in Dalmia Bharat Refractories Limited	**18,724.50**	**-**	9,133.80	-	-
	57,800.34	**-**	47,671.91	-	13,190.80

Below rounding off norms of the Company

8. Trade receivables

Accounting Policy

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less loss allowance, if any.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Trade receivable considered good - secured	**2,595.71**	1,900.62
Trade receivable considered good - unsecured	**62,604.93**	65,582.77
	65,200.64	67,483.39
Less: Loss allowance	**(900.00)**	(900.00)
	64,300.64	66,583.39
Non-current	**1,018.41**	1,018.41
Current	**63,282.23**	65,564.98
	64,300.64	66,583.39
(a) Movement in loss allowance		
Balance as at beginning of the year	**900.00**	717.01
Change in loss for allowance during the year	**-**	182.99
Balance as at the end of the year	**900.00**	900.00

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

8. Trade receivables (Contd.)

(b) Trade receivables ageing schedule is as follows:

Amount in ₹ Lakhs

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
(i) Undisputed Trade receivables:							
- considered good	**53,805.70**	**9,414.28**	**291.98**	**158.93**	**19.04**	**162.08**	**63,852.01**
- which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(ii) Disputed Trade receivables:							
- considered good	**-**	**-**	**-**	**-**	**-**	**1,018.41**	**1,018.41**
- which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- credit impaired	**-**	**-**	**-**	**-**	**41.22**	**289.00**	**330.22**
Total	**53,805.70**	**9,414.28**	**291.98**	**158.93**	**60.26**	**1,469.49**	**65,200.64**

Amount in ₹ Lakhs

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024							
(i) Undisputed Trade receivables:							
- considered good	54,164.82	11,452.80	207.89	133.14	28.11	148.00	66,134.76
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables:							
- considered good	-	-	-	-	-	1,018.41	1,018.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	41.22	-	289.00	330.22
Total	54,164.82	11,452.80	207.89	174.36	28.11	1,455.41	67,483.39

(c) For trade receivables given as security for borrowings, refer note 19.

(d) Non-current trade receivables represent an amount of **₹ 1,018.41 Lakhs** (31 March 2024: ₹ 1,018.41 Lakhs) due from a customer which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained by the Holding Company, the Holding Company continues to believe that the outcome of the said proceedings would be in favour of the Holding Company.

(e) No trade receivables are due from directors of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(f) Information about the Group's exposure to credit, market and currency risks, and loss allowances related to trade receivables are disclosed in note 42.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

9. Cash and cash equivalents

Accounting Policy

The Group considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, and have maturities of less than 3 months from the date of such deposits, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Cash on hand	**50.43**	53.82
Balances with banks		
- On current accounts	**3,123.25**	21,170.19
- On cash credit accounts	**1,143.55**	246.72
- On EEFC accounts	**693.38**	17.68
- On deposit account (with original maturities less than 3 months) [refer note below]	**10,500.00**	-
	15,510.61	21,488.41

Balances with banks on current accounts includes earmarked balances of ₹ **39.39 Lakhs** (31 March 2024: ₹ 142.19 Lakhs) lying in CSR account.

Bank deposits of ₹ **Nil** (31 March 2024: ₹ Nil) have been pledged with the banks against various credit facilities availed by the Group.

10. Bank balances other than cash and cash equivalents

Accounting Policy

The Group considers balances and deposits with banks having maturity of more than three months but less than 12 months to be bank balances other than Cash & Cash Equivalents.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Bank deposits due to mature after 3 months of original maturities but within 12 months of the reporting date [refer note (a) below]	**51,616.07**	51,614.45
Earmarked balances with banks		
- Earmarked balances with banks for unpaid dividend accounts	**54.30**	38.01
- Others deposits [refer note (b) below]	**0.27**	0.27
	51,670.64	51,652.73

(a) Bank deposits of ₹ **51,109.18 Lakhs** (31 March 2024: ₹ 51,110.68 Lakhs) have been pledged with various banks against various credit facilities availed by the Holding Company.

(b) Earmarked balances with banks of ₹ **0.27 lakh** (31 March 2024: ₹ 0.27 lakh) is held as security against various credit facilities availed by the Holding Company.

11. Loans

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Current		
Loan given		
- to employees	**95.51**	29.29
- to related party	**113.01**	110.21
	208.52	139.50
	208.52	139.50
Loan receivables considered good - secured	**-**	-
Loan receivables considered good - unsecured	**208.52**	139.50
	208.52	139.50

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

11. Loans (Contd.)

A. Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
(a) Loans and advances in the nature of loan to KMPs		
Amount outstanding as at year ended	**113.01**	110.21
Less: loss allowances	**-**	-
Maximum balance of loan outstanding during the year	**116.20**	110.21
Loan given		
Percentage of total loan	**56%**	79%

(b) **Details of investments:** Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 7.

B. Information about the Group's exposure to credit and market risks are disclosed in note 42.

12. Other financial assets

Accounting policy (refer note 7)

(Unsecured and considered good, unless otherwise stated)

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
Non-current		
Security and other deposits	**6,115.02**	2,386.37
Bank deposits due to mature after 12 months of the reporting date	**1,498.32**	0.46
Interest accrued on bank deposits	**0.08**	0.05
Interest receivable	**-**	0.09
	7,613.42	2,386.97
Current		
Receivable from parties other than related parties		
Security and other deposits	**535.16**	535.16
Interest accrued on bank deposits	**1,073.24**	1,678.45
Insurance claim receivable	**71.15**	-
Export incentive receivable	**24.92**	1.68
Derivatives	**-**	101.39
Government grants receivable	**557.06**	557.06
Other receivable	**157.69**	2.63
	2,419.22	2,876.37
	10,032.64	5,263.34

Bank deposits of **₹ 0.46 lakh** (31 March 2024: ₹ 0.46 lakh) have been pledged with various banks against various credit facilities availed by the Group.

Information about the Group's exposure to credit and market risks are disclosed in note 42.

13. Non-current tax assets (net)

Accounting policy (refer note 33)

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
Advance income tax [net of provision for income tax **₹ 31,281.35 Lakhs** (31 March 2024: ₹ 30,725.18 Lakhs)]	**930.65**	733.06
	930.65	733.06

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

14. Other non-current assets

(Unsecured, considered good)

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
Capital advances*		
Other than related party	**3,086.20**	1,428.06
Deposits with government authorities (Custom, excise etc.)	**950.07**	893.44
Prepaid expenses	**41.55**	-
	4,077.82	2,321.50

* Represents advances paid towards acquisition of Property, plant and equipment.

15. Inventories

Accounting Policy

(Valued at the lower of cost and net realisable value)

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out (FIFO) cost basis. Cost of raw material and traded goods comprises of Cost of purchases and also include all other costs incurred in bringing the inventories to their present location and condition and are net of rebates and discounts. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. The comparison of cost and net realisable value is made on an item-by-item basis.

Raw materials and supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
Raw materials [including goods-in-transit **₹ 2,121.54 Lakhs** (31 March 2024: ₹ 2,241.44 Lakhs)]	**21,599.44**	34,064.51
Work-in-progress	**7,823.56**	8,476.32
Finished goods	**24,568.52**	23,408.16
Packing materials	**701.17**	830.25
Stores and spares	**3,827.59**	3,472.82
	58,520.28	70,252.06

Carrying amount of inventories pledged as securities for borrowings, refer note 19.

16. Other current assets

(Unsecured considered good unless otherwise stated)

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
Parties other than related parties		
Advances to suppliers		
Unsecured, considered good [refer note (b) below]	**17,244.38**	15,202.25
Unsecured, considered doubtful	**216.75**	216.75
	17,461.13	15,419.00
Less: Allowances for unsecured advances [refer note (a) below]	**(216.75)**	(216.75)
	17,244.38	15,202.25
Others		
Balance with government authorities	**5,023.07**	2,265.69
Others (prepaid expenses and other receivables)	**829.06**	1,173.09
	23,096.51	18,641.03

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

16. Other current assets (Contd.)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(a) Movement in allowances for unsecured advances		
Balance as at beginning of the year	**216.75**	216.75
Changes in allowances for advances during the year	**-**	-
Balance as at the end of the year	**216.75**	216.75

(b) Advances to suppliers includes **₹ 206.75 Lakhs** (31 March 2024: ₹ 833.93 Lakhs) as advance given in earlier years to a supplier against supply of raw materials which is currently under arbitration proceedings. Based on the merits of the case and independent legal opinion obtained, the Holding Company continues to believe that the outcome of the said proceedings would be in favour of the Holding Company.

(c) For financial instrument details refer note 41 & for details of financial risk management refer note 42.

17. Equity share capital

Accounting Policy

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Holding Company are recognised at the proceeds received, net of direct issue costs.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Authorised		
70,01,00,000 (31 March 2024: 70,01,00,000) equity shares of ₹ 1 each	**7,001.00**	7,001.00
Issued, subscribed and fully paid-up		
49,37,82,224 (31 March 2024: 49,25,94,573) equity shares of ₹ 1 each	**4,937.82**	4,925.95
	4,937.82	4,925.95

A. Reconciliation of equity shares (ordinary shares) outstanding at the beginning and at the end of the reporting year

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
At the beginning of the year	**49,25,94,573**	**4,925.95**	43,27,07,198	4,327.07
Add: Equity shares issued on exercise of employee stock option (refer note 38)	**2,31,205**	**2.31**	6,37,375	6.38
Add: Equity shares issued against conversion of warrants (refer note H)	**1,60,000**	**1.60**	5,92,50,000	592.50
Add: Equity shares issued in consideration other then cash (refer note G)	**7,96,446**	**7.96**	-	-
At the end of the year	**49,37,82,224**	**4,937.82**	49,25,94,573	4,925.95

B. Rights, preferences and restrictions attached to equity shares

The Holding Company has a single class of equity shares with par value of ₹ 1 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Holding Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company. Equity shares held by Investor Education and Protection Fund do not have voting rights.

On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

17. Equity share capital (Contd.)

C. Equity shares held by upstream associates (shareholders of the Holding Company) having significant influence over the Holding Company

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
Modern Hi-Rise Private Limited	**18,54,07,559**	**1,854.08**	18,25,99,607	1,826.00

D. Details of equity shareholders holding more than 5% shares of fully paid up equity shares of the aggregate equity shares of the Holding Company

	31 March 2025		31 March 2024	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of ₹ 1 each fully paid up held by:				
Modern Hi-Rise Private Limited	**18,54,07,559**	**37.55%**	18,25,99,607	37.07%
Anurag Choudhary	**3,73,17,676**	**7.56%**	3,30,00,000	6.70%

E. Shareholding of promoters are as follows:

	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2025					
Equity shares of ₹ 1 each fully paid up held by:					
Modern Hi-Rise Private Limited	**18,25,99,607**	**28,07,952**	**18,54,07,559**	**37.55%**	**1.54%**
Himadri Credit & Finance Limited *	**14,84,067**	**-**	**14,84,067**	**0.30%**	**0.00%**
Anurag Choudhary	**3,30,00,000**	**43,17,676**	**3,73,17,676**	**7.56%**	**13.08%**
Shyam Sundar Choudhary	**82,50,000**	**-**	**82,50,000**	**1.67%**	**0.00%**
Shikha Choudhary	**37,00,000**	**-**	**37,00,000**	**0.75%**	**0.00%**
Sheela Devi Choudhary	**30,00,000**	**-**	**30,00,000**	**0.61%**	**0.00%**
Amit Choudhary *	**1,37,50,000**	**-**	**1,37,50,000**	**2.78%**	**0.00%**
Rinku Choudhary	**8,50,000**	**-**	**8,50,000**	**0.17%**	**0.00%**
Anooshka C Bathwal	**11,00,000**	**-**	**11,00,000**	**0.22%**	**0.00%**
	24,77,33,674	**71,25,628**	**25,48,59,302**	**51.61%**	

	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares in the class	% change during the year
As at 31 March 2024					
Equity shares of H 1 each fully paid up held by:					
Modern Hi-Rise Private Limited	18,25,99,607	-	18,25,99,607	37.07%	-
Himadri Credit & Finance Limited	14,84,067	-	14,84,067	0.31%	-
Anurag Choudhary	1,33,00,000	1,97,00,000	3,30,00,000	6.70%	148%
Shyam Sundar Choudhary		82,50,000	82,50,000	1.67%	100%
Shikha Choudhary		37,00,000	37,00,000	0.75%	100%
Sheela Devi Choudhary		30,00,000	30,00,000	0.61%	100%
Amit Choudhary		1,37,50,000	1,37,50,000	2.79%	100%
Rinku Choudhary		8,50,000	8,50,000	0.17%	100%
Anooshka C Bathwal		11,00,000	11,00,000	0.22%	100%
	19,73,83,674	5,03,50,000	24,77,33,674	50.29%	

* change in percentage is due to increase in equity share capital of the Holding Company during the year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

17. Equity share capital (Contd.)

F. Shares reserved for issue under options

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
Under Employee Stock Option Plan, 2016 (ESOP 2016) equity shares of ₹ 1 each (refer note 38)	**2,05,244**	**2.05**	4,36,449	4.36

Information of stock options granted to employees are disclosed in note 38 regarding share based payments.

G. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Pursuant to the approval of the Board of Holding Company at its meeting held on 20 March 2024 and approval of the Members of the Holding Company obtained via special resolution passed through Postal Ballot on 19 April 2024, the Holding Company, on 17 May 2024 had allotted 7,96,446 equity shares of the Holding Company having face value of ₹ 1 each, at a price of ₹ 316.00 per equity share (including a premium of ₹ 315.00) per equity share on a preferential basis for consideration other than cash towards payment of ₹ 2,516.77 Lakhs ("Purchase Consideration"), payable by the Holding Company to the Allottees, as consideration for acquisition of 2,709 equity shares of ₹ 10.00 each of Invati Creations Private Limited ("Target Company") (CIN: U74999WB2016PTC217564), representing 22.29% paid-up equity capital of the Target Company held by the Allottees.

H. Equity Shares issued on conversion of warrants

During the previous year, the Holding Company had issued and allotted 1,08,17,000 warrants, each convertible into one equity share of ₹ 1 each, on Preferential allotment basis at an issue price of ₹ 316 per warrant, to the Promoter of the Holding Company and certain identified non-promoter persons, upon receipt of 25% of the issue price (i.e. ₹ 79.00 per warrant) as warrant subscription money. Balance 75% of the issue price (i.e. ₹ 237.00 per warrant) was payable within 18 months from the date of allotment i.e. 14 May 2024, at the time of exercising the option to apply for fully paid-up equity share of ₹ 1 each of the Holding Company, against each warrant held by the warrant holder.

During the financial year 2024-25 the Holding Company upon receipt of balance 75% of the issue price (i.e., ₹ 237.00 per warrant) for 1,60,000 warrants, had allotted equal no. of fully paid-up equity shares against conversion of said warrants exercised by the warrant holder. As a result of such allotment, the paid-up equity share capital of the Holding Company had increased by 1,60,000 equity shares of face value of ₹ 1 each.

For the remaining 1,06,57,000 warrants, the respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

I. Distribution made and proposed dividend on equity shares by the Holding Company

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended on 31 March 2024: ₹ 0.50 per share (31 March 2023: ₹ 0.25 per share)	**2,467.58**	1,081.95
Total dividend paid	**2,467.58**	1,081.95
Proposed dividend on equity shares not recognised as liability		
Final dividend for the year ended on 31 March 2025: **₹ 0.60 per share** (31 March 2024: ₹ 0.50 per share)	**2,963.10**	2,463.59
Total dividend proposed for the year	**2,963.10**	2,463.59

Proposed dividend on equity shares is subject to the approval of the equity shareholders of the Holding Company at the Annual General Meeting and not recognised as a liability as at Consolidated Balance Sheet date.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

18. Other equity

Refer Consolidated statement of changes in equity for detailed movement in other equity balance.

A. Movement in other equity balance

Amount in ₹ Lakhs

Components	1 April 2023	Movement during the year	31 March 2024	Movement during the year	31 March 2025
Capital reserve	1,280.50	-	1,280.50	**-**	**1,280.50**
Securities premium	54,970.30	41,788.91	96,759.21	**4,177.47**	**1,00,936.68**
General reserve	18,955.61	-	18,955.61	**-**	**18,955.61**
Share option outstanding reserve*	268.21	(145.11)	123.10	**(47.67)**	**75.43**
Money received against share warrants	10,368.75	(10,368.75)	-	**8,419.03**	**8,419.03**
Retained earnings	1,32,866.25	39,956.52	1,72,822.77	**53,018.55**	**2,25,841.32**
Items of other comprehensive income:					
- Currency translation reserve	(2,490.44)	(31.55)	(2,521.99)	**428.85**	**(2,093.14)**
- Equity instruments through Other Comprehensive income	7,504.31	4,708.06	12,212.37	**1,608.28**	**13,820.65**
	2,23,723.49	75,908.08	2,99,631.57	**67,604.51**	**3,67,236.08**

* Disclosure of share based payments (refer note 38).

B. Other comprehensive income accumulated in other equity (net of income-tax)

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

Amount in ₹ Lakhs

	Currency translation reserve	Equity instruments through other comprehensive income	Total other comprehensive income
As at 1 April 2023	(2,490.44)	7,504.31	5,013.87
Equity instruments through other comprehensive income - net change in fair value	-	6,035.00	6,035.00
Exchange differences in translating financial statements of foreign operations	(31.55)	-	(31.55)
Tax on above items	-	(1,326.94)	(1,326.94)
As at 31 March 2024	(2,521.99)	12,212.37	9,690.38
As at 1 April 2024	**(2,521.99)**	**12,212.37**	**9,690.38**
Equity instruments through other comprehensive income - net change in fair value	**-**	**266.98**	**266.98**
Exchange differences in translating financial statements of foreign operations	**428.85**	**-**	**428.85**
Tax on above items	**-**	**1,341.30**	**1,341.30**
As at 31 March 2025	**(2,093.14)**	**13,820.65**	**11,727.51**

Pursuant to amendment in The Finance Act, 2024, resulting in withdrawal of indexation benefit on long term capital gain & consequential change in capital gain tax rate, the Holding Company has written back deferred tax liability amounting to **₹1,381.00 Lakhs**. It has been recorded under tax expense under other comprehensive income in the consolidated financial statement of profit and loss for the year ended 31 March 2025.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

19. Financial Liabilities

Accounting Policy

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability. They are measured at amortised cost using the effective interest method.

Financial liabilities are measured at fair value through profit and loss (FVTPL) when it is either held for trading or it is designated as at FVTPL.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired.

Disclosure related to Fair value measurement of financial instruments (refer note 41).

Borrowings

Amount in ₹ Lakhs

	Interest	Maturity	31 March 2025	31 March 2024
Non-current borrowings				
Secured				
Term loans				
Rupee term loan (secured)	refer note [A(i)] below			
From banks			**-**	3,117.30
Loan against vehicles and equipments (secured)	7%-10.25%	2025-2028	**346.55**	354.48
			346.55	3,471.78
Less: Current maturities of non-current borrowings			**(73.97)**	(1,318.00)
			272.58	2,153.78

Amount in ₹ Lakhs

	Interest	Maturity	31 March 2025	31 March 2024
Current borrowings				
Secured				
From banks (repayable on demand)				
Rupee loans			**2,500.00**	27,872.04
Foreign currency loans			**27,993.53**	28,698.15
			30,493.53	56,570.19
Current maturities of non-current borrowings			**73.97**	1,318.00
From others			**30.10**	-
			30,597.60	57,888.19

Information about the Group's exposure to fair value measurement, interest rate, currency and liquidity risks related to borrowings are disclosed in note 41 and 42.

A. Terms of repayment/ conversion/ redemption

Term loans

Amount in ₹ Lakhs

Name of the lender	Interest	Repayment schedule	31 March 2025	31 March 2024
(i) Rupee term loans				
Kotak Mahindra Bank Limited [₹ **Nil** (31 March 2024: ₹ 3,125.00 Lakhs)]	-	-	**-**	3,117.30

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

19. Financial Liabilities (Contd.)

(ii) Loans against vehicles and equipments are for a period of three to seven years and repayable by way of equated monthly instalments.

B. Details of security

(i) Rupee term loans are secured by way of pari passu first charge on the movable fixed assets and equitable mortgage of the Mahistikry Unit of the Company situated in West Bengal. However the entire loan has been repaid during the year.

(ii) Loans against vehicles and equipments are secured by way of hypothecation of the respective underlying asset financed.

(iii) Rupee loan from Axis Bank Ltd amounting to ₹ **Nil Lakhs** (31 March 2024: ₹ 19,240.00 Lakhs) is secured by way of pari passu first charge on the movable fixed assets, both present and future, of the Holding Company, and current borrowings from other banks aggregating to ₹ **30,493.53 Lakhs** (31 March 2024: ₹ 37,330.19 Lakhs) are secured by hypothecation of currents assets of the Holding Company both present and future on pari passu basis.

20. Trade payables

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Group and are unpaid at the reporting period. The amounts are unsecured and usually paid within time limits as contracted. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months after the reporting period.

They are recognised initially at their transactional value which represents the fair value and subsequently measured at amortised cost using the effective interest method wherever applicable.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Trade payable for goods and services		
- total outstanding dues of micro enterprises and small enterprises (refer note (b) below)	**496.70**	292.03
- total outstanding dues of creditors other than micro enterprises and small enterprises	**23,377.35**	56,015.06
Acceptances form banks	**57.78**	729.20
	23,931.83	57,036.29
Non-current	**-**	-
Current	**23,931.83**	57,036.29
	23,931.83	57,036.29

(a) Trade payables ageing:

Amount in ₹ Lakhs

	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025					
(i) MSME	**496.70**	**-**	**-**	**-**	**496.70**
(ii) Others	**12,358.60**	**255.82**	**3,436.97**	**1,537.75**	**17,589.14**
(iii) Disputed dues- MSME	**-**	**-**	**-**	**-**	**-**
(iv) Disputed dues- others	**-**	**-**	**-**	**-**	**-**
Total	**12,855.30**	**255.82**	**3,436.97**	**1,537.75**	**18,085.84**
Add: Accrued Liabilities					**5,788.21**
Add: Acceptances form banks					**57.78**
					23,931.83

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

20. Trade payables (Contd.)

Amount in ₹ Lakhs

	Outstanding for following periods from the transaction date				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024					
(i) MSME	292.03	-	-	-	292.03
(ii) Others	44,396.87	3,652.41	82.46	1,371.01	49,502.75
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-
Total	44,688.90	3,652.41	82.46	1,371.01	49,794.78
Add: Accrued Liabilities					6,512.31
Add: Acceptances form banks					729.20
					57,036.29

(b) Due to micro enterprises and medium enterprises

The disclosure pursuant to the Micro, Small and Medium enterprise development Act, 2006 (MSMED Act) for dues to Micro enterprises and Small enterprises as at 31 March 2025 and 31 March 2024 are as under

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
(i) The amounts remaining unpaid to micro and small suppliers as at the end of each accounting year:		
- Principal	**496.70**	292.03
- Interest	**-**	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	**-**	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	**-**	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	**-**	-
(vi) Information about the Group's exposure to currency and liquidity risks related to trade payables are disclosed in note 42.		

21. Derivatives

Accounting Policy

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, cross currency swap and option contracts to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately, if the host contract is not a financial asset and certain criteria are met.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

21. Derivatives (Contd.)

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Mark to market on derivative contracts	**423.83**	-
	423.83	-
Non-current	**-**	-
Current	**423.83**	-
	423.83	-

Information about the Group's exposure to currency risks related to derivatives are disclosed in note 42.

22. Other financial liabilities

Accounting policy (refer note 19)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Non-current		
Security deposits	**25.77**	25.77
	25.77	25.77
Current		
Interest accrued but not due on borrowings	**443.94**	407.50
Unclaimed dividend	**54.30**	38.01
Liability for capital goods	**1,009.45**	767.87
Others (including Employee related liabilities, deferred income and Security deposits)	**2,000.71**	1,307.09
	3,508.40	2,520.47

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

(b) Information about the Group's exposure to currency and liquidity risks related to the above financial liabilities are disclosed in note 42.

23. Other current liabilities

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Statutory dues (including provident fund, tax deducted at source, goods and services tax and others)	**458.15**	369.75
Contract Liabilities		
- Advance from customers	**329.98**	1,368.00
	788.13	1,737.75

24. Provisions

Accounting Policy

(a) Employee benefits - refer note 30

(b) Other Provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

The amortisation or "unwinding" of the discount applied in establishing the provision is charged to the income statement in each accounting period. The amortisation of the discount is shown within finance costs in the Statement of profit or loss.

		Amount in ₹ Lakhs
	31 March 2025	31 March 2024
Non-current		
Net defined benefit liability - Gratuity [refer note (B) below]	**588.24**	476.29
Liability for compensated absences [refer note (C) below]	**443.26**	345.49
Provision for litigation [refer note (C) below]	**78.42**	78.42
	1,109.92	900.20
Current		
Net defined benefit liability - Gratuity (refer note 38)	**20.43**	-
Liability for compensated absences [refer note (C) below]	**77.27**	110.38
	97.70	110.38

The Group has clasified the various benefits provided to employees as under:

A. Defined contribution plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident and Pension Fund and Employee State Insurance ('ESI') which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are recognised in the Consolidated Statement of Profit and Loss as they accrue.

The expense for defined contribution plans amounts to **₹ 479.66 Lakhs** (31 March 2024: ₹ 371.60 Lakhs). Out of these, **₹ 468.90 Lakhs** (31 March 2024: ₹ 358.06 Lakhs) pertains to provident fund plan and **₹ 10.76 Lakhs** (31 March 2024: ₹ 13.54 Lakhs) pertains to ESI.

B. Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

The Holding Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Holding Company makes contributions to recognised funds in India.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Holding Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Holding Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk. These defined benefit plans expose the Holding Company to actuarial risks, such as interest rate risk, salary inflation risk, demographic risk and market (investment) risk.

These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, demographic risk, salary inflation risk and market (investment) risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Consolidated Statement of Profit and Loss, actuarial assumptions and other information.

The funded gratuity liability belongs to the Holding Company and non-funded belongs to all Subsidiaries Companies.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

Reconciliation of the net defined benefit (asset)/ liability:

(i) Reconciliation of present value of defined benefit obligation

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
(a) Balance at the beginning of the year	-	**914.46**	772.89
(b) Current service cost	**20.50**	**115.06**	93.70
(c) Interest cost	-	**61.85**	54.01
(d) Actuarial (gains)/ losses recognised in other comprehensive income	-	**103.21**	59.81
(e) Benefits paid	-	**(61.47)**	(65.95)
Balance at the end of the year	**20.50**	**1,133.11**	914.46

(ii) Reconciliation of fair value of plan assets

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
(a) Balance at the beginning of the year	-	**438.17**	392.11
(b) Interest income	-	**33.24**	29.22
(c) Actual return on plan asset less interest on plan asset	-	-	0.44
(d) Contributions by the employer	-	**135.00**	82.35
(e) Benefits paid	-	**(61.47)**	(65.95)
Balance at the end of the year	-	**544.94**	438.17

(iii) Net liability recognised in the Consolidated Balance Sheet

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
(a) Present value of defined benefit obligation	**(20.50)**	**(1,133.11)**	(914.46)
(b) Fair value of plan assets	-	**544.94**	438.17
Net liability recognised in the Consolidated Balance Sheet	**(20.50)**	**(588.17)**	(476.29)

(iv) Expense recognised in Consolidated Statement of Profit or Loss

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
(a) Current service cost	**20.50**	**115.06**	93.70
(b) Interest cost	-	**61.85**	54.01
(c) Expected return on plan assets	-	**(33.24)**	(29.22)
Amount charged to Consolidated Statement of Profit or Loss	**20.50**	**143.67**	118.49

(v) Remeasurements recognised in Consolidated Other Comprehensive Income

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
(a) Actuarial loss/ (gain) arising on defined benefit obligation from			
- financial assumptions	-	**49.67**	30.42
- experience adjustment	-	**53.54**	29.39
(b) Actual return on plan asset less interest on plan asset	-	-	(0.44)
Amount recognised in Consolidated Other Comprehensive Income	-	**103.21**	59.37

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

(vi) The sensitivity of the overall plan obligation to changes in the weighted key assumptions are:

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
Impact on defined benefit obligation on discount rate plus **100 basis points**	**(2.97)**	**(118.11)**	(95.67)
Impact on defined benefit obligation on discount rate minus **100 basis points**	**3.69**	**140.42**	113.58
Impact on defined benefit obligation on salary growth rate plus **100 basis points**	**3.65**	**121.16**	(100.97)
Impact on defined benefit obligation on salary growth rate minus **100 basis points**	**(2.99)**	**(108.53)**	(88.52)

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Consolidated Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(vii) Actuarial assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Consolidated Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Financial assumptions

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
Discount rate	**6.80%**	**6.60%**	7.00%
Expected rate of salary increase	**7.00%**	**7.00%**	7.00%
Retirement age (years)	**60**	**60**	60
Attrition rate based on different age group of employees:			
ages from 20-25	**5%**	**5%**	5%
ages from 25-30	**3%**	**3%**	3%
ages from 30-35	**2%**	**2%**	2%
ages from 35-50	**1%**	**1%**	1%
ages from 50-55	**2%**	**2%**	2%
ages from 55-58	**3%**	**3%**	3%

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

Demographic assumptions

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-2008) Ultimate.

(viii) Maturity profile of defined benefit obligation (undiscounted)

Amount in ₹ Lakhs

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
Within next 12 months	**0.06**	**52.13**	27.29
1-2 year	**1.09**	**47.66**	51.01
2-3 year	**0.07**	**60.91**	40.54
3-4 year	**0.40**	**77.89**	58.45
4-5 year	**1.54**	**73.77**	65.82
Thereafter	**3.82**	**330.47**	311.60

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

24. Provisions (Contd.)

(ix)

	31 March 2025		31 March 2024
	Non Funded	Funded	Funded
Weighted average duration of defined benefit obligation	**16 years**	**12 years**	12 years

(x) The Holding Company expects to pay ₹ **608.67 Lakhs** in contribution to its defined benefit plans during the year 2025-2026.

(xi) **Asset liability matching strategy:**

The defined benefit plans are funded with insurance companies of India. The Holding Company does not have any liberty to manage the funds provided to insurance companies. Thus, the composition of each major category of plan assets has not been disclosed.

There is no compulsion on the part of the Holding Company to fully prefund the liability of the plan. The Holding Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

C. Other Provisions

Amount in ₹ Lakhs

	Liability for compensated absences	Provision for litigation
Balance as at 1 April 2023	142.40	78.42
Add: Provisions made during the year 2023-2024	356.19	-
Less: Amount utilised/ reversed during the year 2023-2024	(42.72)	-
Balance as at 31 March 2024	455.87	78.42
Add: Provisions made during the year 2024-2025	**153.37**	**-**
Less: Amount utilised/ reversed during the year 2024-2025	**(88.71)**	**-**
Balance as at 31 March 2025	**520.53**	**78.42**

Movement of provision for litigation during the year as required by Ind AS 37: "Provisions, Contingent Liabilities and Contingent Asset" specified under Section 133 of the Companies Act, 2013, the Group as a prudent measure had made provisions in the earlier year amounting to ₹ 78.42 Lakhs representing estimates made mainly for probable claims arising out of disputes pending with the sales tax authorities. The probability and timing of the outflow with regard to these matters depend upon the ultimate settlement with the relevant authorities.

25. Current tax liabilities (net)

Accounting policy (refer note 33)

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Income-tax liabilities [net of advance tax ₹ **13,139.01 Lakhs** (31 March 2024: ₹ 9,235.99 Lakhs)]	**955.75**	860.89
	955.75	860.89

26. Revenue from operations

Accounting Policy

The Group's revenue primarily from sale of Carbon materials and chemicals, and power (generation and distribution). Revenue excludes any taxes and duties collected on behalf of the Government.

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the products.

At contract inception, the Group assess the goods promised in a contract with a customer and identifies as a performance obligation of each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods is transferred to customers and the Group retains neither continuing managerial

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

26. Revenue from operations (Contd.)

involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances and trade discounts.

The Group's derives its power revenue from the production and sale of electricity based on long-term Power Purchase Agreements. Revenue is recognised upon delivery of electricity produced to the electricity grid based on the agreed tariff rate.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products	**4,59,921.55**	4,18,460.80
Other operating revenue		
- Job work charges	**1,020.31**	-
- Export incentive	**321.26**	28.23
Total revenue from operations	**4,61,263.12**	4,18,489.03

(i) Sales are net of price adjustments settled during the year by the Group, discounts and Goods and Services tax (GST) etc.

(ii) Revenue disaggregation is as follows:

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
(a) Disaggregation of goods		
- Carbon materials and chemicals	**4,57,553.13**	4,16,074.45
- Power	**2,368.42**	2,386.35
	4,59,921.55	4,18,460.80
(b) Disaggregation based on geography		
India	**3,36,703.13**	3,39,719.69
Outside India	**1,23,218.42**	78,741.11
	4,59,921.55	4,18,460.80
Geographical location is based on the location of customers excluding export incentives		
(c) Reconciliation of Revenue from sale of products with the contracted price		
Contracted price	**4,55,683.39**	4,18,654.41
Add/(less): Adjustment for variable consideration	**4,238.16**	(193.61)
	4,59,921.55	4,18,460.80
(d) Information about major customers (refer note 42)		
(e) Contract balances		
Trade receivables (refer note 8)	**64,300.64**	66,583.39
	64,300.64	66,583.39

27. Other income

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income under the effective interest method:		
- Interest on bank deposits	**4,199.14**	3,294.54
- Others	**10.46**	150.41
- Income from related parties (refer note 39):		
- Others	**5.99**	5.99
- Unwinding of discount on security deposits and others	**174.00**	164.45
Gain on sale proceeds of current investments measured at fair value through profit or loss	**15.07**	110.88
Insurance claims	**19.63**	116.36

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

27. Other income (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Gain on fair valuation of current investments measured at fair value through profit or loss	-	2.23
Gain on fair valuation of non current investments measured at fair value through profit or loss	**343.43**	95.10
Rental income (refer note 39)	-	22.50
Miscellaneous income	**401.46**	289.31
	5,169.18	4,251.77

28. Cost of materials consumed

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Inventory of raw materials at the beginning of the year	**34,064.51**	22,153.71
Add: Acquired on acquisition of subsidiary company	**4.75**	-
Add: Purchases during the year	**3,02,740.71**	3,18,608.40
	3,36,809.97	3,40,762.11
Less: Inventory of raw materials at the end of the year	**(21,599.44)**	(34,064.51)
Cost of materials consumed	**3,15,210.53**	3,06,697.60

29. Change in inventories of finished goods and work-in-progress

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Opening inventories		
Finished goods	**23,408.16**	21,537.47
Work-in-progress	**8,476.32**	6,676.73
	31,884.48	28,214.20
Closing inventories		
Finished goods	**24,568.52**	23,408.16
Work-in-progress	**7,823.56**	8,476.32
	32,392.08	31,884.48
Change in inventories of finished goods and work-in-progress	**(507.60)**	(3,670.28)

30. Employee benefits expense

Accounting Policy

Retirement benefit costs and termination benefits

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of government bonds having terms approximating to the terms of related obligation.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

30. Employee benefits expense (Contd.)

comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise. Expense on non-accumulating compensated absences is recognized in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	**11,619.99**	9,143.08
Contribution to provident and other funds	**699.65**	553.96
Defined benefit plan expenses - Gratuity [refer note 24 (b)]	**135.56**	93.70
Staff welfare expenses	**1,483.35**	1,257.36
	13,938.55	11,048.10

Salaries, wages and bonus includes **₹ 819.58 Lakhs** (31 March 2024: ₹ 672.46 Lakhs) relating to outsource manpower cost.

31. Finance costs

Accounting Policy

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense on financial liabilities measured at amortised cost	**4,053.73**	5,755.68
Exchange difference regarded as an adjustment to borrowing costs	**210.18**	312.40
Other borrowing costs	**184.14**	294.48
Interest cost on lease liability [refer note 35(c)]	**29.19**	24.18
	4,477.24	6,386.74

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

32. Other expenses

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	**873.23**	908.96
Power and fuel	**1,275.68**	1,286.85
Rent	**2,741.66**	1,665.23
Rates and taxes	**533.35**	196.54
Repairs to:		
- Building	**126.16**	90.32
- Plant and equipment	**2,243.67**	3,024.50
- Others	**753.82**	663.32
Payment to auditors'	**114.37**	104.54
Insurance	**364.23**	606.19
Loss allowance for doubtful trade receivables	**-**	182.99
Packing expenses	**3,739.01**	3,178.02
Freight and forwarding expenses	**23,961.27**	18,048.00
Commission on sales	**1,504.22**	1,482.78
Net foreign exchange loss/ (gain)	**(748.00)**	(968.86)
Expenditure on corporate social responsibility	**648.70**	316.39
Miscellaneous expenses	**9,067.60**	9,121.39
	47,198.97	39,907.16

33. Income-tax

Accounting Policy

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities using a weighted average probability.

Deferred tax

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax on the deductible temporary difference and taxable temporary differences in respect of carrying value of right of use assets and lease liability and their respective tax bases are recognised separately. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

33. Income-tax (Contd.)

Current and deferred tax for the period

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

A. Reconciliation of effective tax rate

Amount in ₹ Lakhs

	Year ended 31 March 2025		Year ended 31 March 2024	
	Percentage	Amount	Percentage	Amount
Profit before tax		**80,618.09**		57,385.61
Statutory income-tax rate	**34.94%**	**28,171.19**	34.94%	20,052.83
Tax Effects of:				
Reversal of deferred tax liabilities (net) due to re-measurement of deferred tax assets / liabilities as per Ind AS 12 "Income Taxes"	**(0.37%)**	**(301.10)**	(1.79%)	(1,025.00)
Non - deductible expenses for tax purposes	**0.24%**	**190.19**	0.21%	117.73
Tax exempt income/ additional deduction as per income-tax	**(4.33%)**	**(3,494.20)**	(5.06%)	(2,906.24)
Impact of tax on loss components	**0.11%**	**85.95**	0.12%	68.28
Unutilised balance of MAT charged to deferred tax expense	**0.44%**	**356.67**	0.00%	-
Income tax related to earlier years	**0.12%**	**99.42**	0.02%	9.83
	31.14%	**25,108.12**	28.43%	16,317.43
Amount recognised in profit or loss				
- Current tax		**14,229.71**		10,096.88
- Deferred tax		**10,778.99**		6,210.72
- Income tax related to earlier years		**99.42**		9.83
Total tax expenses		**25,108.12**		16,317.43

B. The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group continuously updates its documents for the international transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Consolidated financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.

C. Movement in deferred tax assets and liabilities

Amount in ₹ Lakhs

Movement during the year ended 31 March 2024	Balance as on 1 April 2023	Charge / (credit) to profit or loss	Acquired on acquisition of subsidiaries	Charge / (credit) to OCI	Balance as on 31 March 2024
Deferred tax (assets)/liabilities:					
Property, plant and equipment	23,895.64	428.86	-	-	24,324.50
Trade receivables	(254.02)	(60.48)	-	-	(314.50)
Right of use assets	695.37	(91.90)	-	-	603.47
Loans	(815.62)	55.57	-	-	(760.05)
Other assets	(33.92)	(0.74)	-	-	(34.66)
Borrowings	9.75	(7.22)	-	-	2.53
Other liabilities	(62.71)	15.60	-	-	(47.11)
Other financial liabilities	-	-	-	-	-
Share based payments- Equity-settled	(93.72)	50.71	-	-	(43.01)
Provisions	(160.21)	(12.63)	-	(20.68)	(193.52)
MAT credit entitlement	(16,608.58)	5,718.89	-	-	(10,889.69)
Gain/ loss on fair valuation of Investments in equity instruments	2,824.28	114.06	-	1,326.94	4,265.28
Net deferred tax liabilities	9,396.26	6,210.72	-	1,306.26	16,913.24

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

33. Income-tax (Contd.)

Amount in ₹ Lakhs

Movement during the year ended 31 March 2025	Balance as on 1 April 2024	Charge / (credit) to profit or loss	Acquired on acquisition of subsidiary Company	Charge / (credit) to OCI	Balance as on 31 March 2025
Deferred tax (assets)/liabilities:					
Property, plant and equipment	**24,324.50**	**27.78**		**-**	**24,352.28**
Trade receivables	**(314.50)**	**87.99**		**-**	**(226.51)**
Right of use assets	**603.47**	**(193.59)**		**-**	**409.88**
Loans	**(760.05)**	**255.44**		**-**	**(504.61)**
Other assets	**(34.66)**	**9.37**		**-**	**(25.29)**
Borrowings	**2.53**	**(2.53)**		**-**	**-**
Other liabilities	**(47.11)**	**(10.75)**		**-**	**(57.86)**
Other financial liabilities	**-**	**(172.07)**		**-**	**(172.07)**
Share based payments- Equity-settled	**(43.01)**	**24.03**		**-**	**(18.98)**
Provisions	**(193.52)**	**(86.17)**		**(25.98)**	**(305.67)**
MAT credit entitlement	**(10,889.69)**	**10,889.69**	**(2.68)**	**-**	**(2.68)**
Gain/ loss on fair valuation of Investments in equity instruments	**4,265.28**	**(50.20)**		**(1,341.30)**	**2,873.78**
Net deferred tax liabilities	**16,913.24**	**10,778.99**	**(2.68)**	**(1,367.28)**	**26,322.27**

a) Deferred tax assets is not recognised on certain items [such as investment impairment, loss allowances on advances and capital loss] due to lack of reasonable certainty.

b) MAT credit entitlement is the amount which is available for set off in subsequent years against income tax liabilities as per the provisions of the Income-tax Act, 1961.

c) Section 115 BAA of the Income-tax Act, 1961, introduced by the Taxation Laws (Amendment) Act, 2019 gives a one-time irreversible option for payment of income-tax at reduced rate with effect from financial year commencing 1 April 2019 subject to certain conditions. The Holding Company had assessed the impact of the above amendment and decided to continue with the existing tax structure till the current financial year 2024-25 to utilise the accumulated Minimum Alternative Tax ('MAT') and to migrate to new tax regime from next financial year 2025-26. Accordingly the Holding Company has re-assessed the deferred tax assets / liability that is expected to reverse on exercising the option on the future date as per Ind AS 12 'Income Taxes' and thus reversal of net deferred tax liability of **₹ 301.10 Lakhs** (31 March 2024: ₹ 1,025.00 Lakhs) has been recognised during the financial year. The unutlised balance of MAT of **₹ 356.67 Lakhs** has been charged to deferred tax expense in the consolidated statement of profit and loss for the year ended 31 March 2025.

34. Earnings per equity share (EPS)

Accounting Policy

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
A. Basic earnings per equity share		
(i) Profit for the year, attributable to the equity share holders of the Group (before exceptional items)	**55,563.36**	41,077.16
(ii) Profit for the year, attributable to the equity share holders of the Group (after exceptional items)	**55,563.36**	41,077.16
(iii)Weighted average number of equity shares (basic) (number)	**49,35,07,929**	44,83,58,106
Basic earnings per equity share (before exceptional items) [(i)/ (iii)]	**11.26**	9.16
Basic earnings per equity share (after exceptional items) [(ii)/ (iii)]	**11.26**	9.16

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

34. Earnings per equity share (EPS) (Contd.)

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
B. Diluted earnings per equity share		
(i) Weighted average number of equity shares (basic) (number)	**49,35,07,929**	44,83,58,106
(ii) Effect of dilutive potential equity shares on account of employee stock options (number)	**37,03,593**	2,43,082
(iii) Weighted average number of equity shares (diluted) for the year (i+ii)	**49,72,11,522**	44,86,01,188
Diluted earnings per equity share (before exceptional items) [(A) (i)/ (B) (iii)]	**11.17**	9.16
Diluted earnings per equity share (after exceptional items) [(A) (ii)/ (B) (iii)]	**11.17**	9.16

35. Contingent liability and commitments

(to the extent not provided for)

Accounting Policy

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(a) Contingent liabilities

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Claim against the Group not acknowledged as debts		
Sales tax/VAT matters in dispute/ under appeal	**2,729.14**	3,088.47
GST matters in dispute/ under appeal	**474.43**	177.75
Excise/ Service Tax matters in dispute/under appeal	**10.60**	175.46
Custom duty matter in dispute/ under appeal	**28.83**	28.83
Entry tax in dispute/ under appeal - Chhattisgarh	**507.78**	503.60
Income tax in dispute/ under appeal	**1,042.70**	1,337.30
Others [refer note (ii) below]	**266.71**	266.71

Note:

(i) Cash outflows for the above are determinable only on receipt of final judgments pending at various forums/ authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

(ii) Others represents dispute with a lessor in respect of arrear dues. The Holding Company based on independent legal opinion, does not foresee any significant financial liability on this accounts.

(b) Commitments

Capital and other commitments

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Estimated amount of contracts in capital account remaining to be executed and not provided for (net of capital advance)	**11,530.48**	2,782.98

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

35. Contingent liability and commitments (Contd.)

(c) Leases (Ind AS 116)

Accounting Policy

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk and makes adjustments specific to the lease, e.g. term, security etc.

Carrying value of right of use assets at the end of the reporting period by class (refer note 5).

Amount in ₹ Lakhs

	Year ended 31 March 2025			Year ended 31 March 2024		
	Land	**Buildings**	**Amount**	Land	Buildings	Amount
Balance at the beginning of the year	**2,239.91**	**53.67**	**2,293.58**	2,544.92	91.40	2,636.32
Addition during the year	**-**	**189.32**	**189.32**	-	-	-
Amortisation during the year	**(280.19)**	**(88.06)**	**(368.25)**	(279.06)	(37.73)	(316.79)
Exchange differences on translation of foreign operations	**12.80**	**-**	**12.80**	(25.95)	-	(25.95)
Balance at the end of the year	**1,972.52**	**154.93**	**2,127.45**	2,239.91	53.67	2,293.58

Movement in lease liabilities

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	**453.69**	592.73
Additions during the year	**185.41**	-
Finance cost accrued during the year (refer note 31)	**29.19**	24.18
Payment of lease liabilities during the year (including interest)	**(201.03)**	(147.36)
Exchange differences on translation of foreign operations	**6.56**	(15.86)
Balance at the end of the year	**473.82**	453.69
Lease liabilities - Non-current	**291.92**	309.60
Lease liabilities - Current	**181.90**	144.09

Maturity analysis of lease liabilities

Amount in ₹ Lakhs

Maturity analysis – contractual undiscounted cash flows	**31 March 2025**	31 March 2024
Less than one year	**181.90**	144.09
One to five years	**312.09**	319.90
More than five years	**43.50**	54.72
Total undiscounted lease liabilities at the end of the year	**537.49**	518.71

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

35. Contingent liability and commitments (Contd.)

Amount recognised in Consolidated Statement of Profit and Loss

		Amount in ₹ Lakhs
	Year ended 31 March 2025	Year ended 31 March 2024
Interest on lease liabilities	**29.19**	24.18
Amortisation during the year	**368.25**	316.79
Expenses relating to short-term leases and low value assets	**2,741.66**	1,665.23

Amount recognised in the Consolidated Statement of Cash Flows

		Amount in ₹ Lakhs
	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses recognised during the year (refer note 31)	**29.19**	24.18
Lease payments reflected in Consolidated Statement of Cash Flows	**171.84**	123.18

36. Other comprehensive income

		Amount in ₹ Lakhs
	Year ended 31 March 2025	Year ended 31 March 2024
Items that will not be reclassified subsequently to profit or loss		
Re-measurement of Defined Benefit Plans	**(103.21)**	(59.37)
Income Tax relating to items that will not be reclassified subsequently to profit or loss	**25.98**	20.68
	(77.23)	(38.69)
Equity Instrument at Fair Value through Other Comprehensive Income	**266.98**	6,035.00
Income Tax relating to items that will not be reclassified subsequently to profit or loss	**1,341.30**	(1,326.94)
	1,608.28	4,708.06
Items that will be reclassified subsequently to profit or loss		
Exchange differences in translating financial statements of foreign operations	**422.18**	(20.57)
Income Tax relating to items that will be reclassified subsequently to profit or loss	**-**	-
	422.18	(20.57)
Other comprehensive income for the year (net of income tax)	1,953.23	4,648.80

37. Research and development expenses

Research and development expenses aggregating to **₹ 3,587.78 Lakhs** (31 March 2024: ₹ 3,206.38 Lakhs) in the nature of revenue expenditure and addition of **₹ 342.11 Lakhs** (31 March 2024: ₹ 445.29 Lakhs) in the nature of capital expenditure during the year have been included under the relevant account heads.

38. Share based payments

A. Description of share-based payment arrangement

Himadri Employees Stock Option Plan 2016 (equity-settled)

The Holding Company at its 28th Annual General Meeting held on 24 September 2016, has approved "Himadri Employees Stock Option Plan 2016" (ESOP 2016 or Plan) for granting 40,00,000 Employees Stock Options to certain "eligible employees". The Plan is administered by the Nomination and Remuneration Committee of the Board ("the Committee") in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provisions of the Companies Act. 2013 for the time being in force. The option granted to certain eligible employees including certain key management personnel on vesting condition of Time basis, Company performance and individual performance as specified in the grant letter issued to each employee.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

38. Share based payments (Contd.)

Scheme	Vesting Period	Exercise Period	Year	Date of grant	Number of options granted	Exercise price ₹ per equity share
ESOP 2016 Plan (Tranche I)	Vested after 1 year but not later than 5 years from the date of grant of options.	Any time within a period of 5 years from the date of vesting and will be settled by way of equity shares in accordance with the aforesaid plan.	2016-2017	5 January 2017	13,04,600	19
ESOP 2016 Plan (Tranche II)			2018-2019	8 May 2018	26,95,000	140

B. Measurement of fair values

Equity-settled share based payment arrangements

The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:

	ESOP 2016 (Tranche I)		ESOP 2016 (Tranche II)	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
Fair value at grant date	**₹ 24.94**	₹ 24.94	**₹ 23.01**	₹ 23.01
Share price at grant date	**₹ 36.70**	₹ 36.70	**₹ 121.15**	₹ 121.15
Exercise price	**₹ 19.00**	₹ 19.00	**₹ 140.00**	₹ 140.00
Expected volatility* (weighted average volatility)	**57.57%**	57.57%	**23.77%**	23.77%
Expected life (expected weighted average life)	**4.39 years**	4.39 years	**3.07 years**	3.07 years
Expected dividends**	**0.27%**	0.27%	**0.41%**	0.41%
Risk-free interest rate (based on government bonds)	**6.48%**	6.48%	**7.35%**	7.35%

Expected volatility has been based on an evaluation of the historical volatility of the Holding Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Expected life of the options has been calculated on the assumption that options would exercise within one year from the date of vesting.

The fair value of option on the date of grant have been done by an independent valuer appointed by the management using the Black Scholes Merton Model.

* Expected volatility on the Holding Company's stock price on National Stock Exchange of India Ltd based on the data commensurate with the expected life of the options up to the date of grant.

** Expected dividend on underlying shares is taken as 10% on market price as on the date of grant.

C. Reconciliation of outstanding share options

The number and weighted average exercise prices of share option under the share option plan (refer A above) are as follows.

	31 March 2025		31 March 2024	
	Weighted average exercise price per option	**Number of options**	Weighted average exercise price per option	Number of options
Outstanding at 1 April	**137.28**	**4,36,449**	126.89	10,77,729
Granted during the year	**-**	**-**	-	-
Forfeited during the year	**-**	**-**	19.00	3,905

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

38. Share based payments (Contd.)

	31 March 2025		31 March 2024	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Exercised during the year	**138.26**	**2,31,205**	120.44	6,37,375
Outstanding at 31 March	**136.18**	**2,05,244**	137.28	4,36,449
Exercisable at 31 March	**136.18**	**2,05,244**	137.28	4,36,449

A weighted average remaining contractual life of **1.60 years** (31 March 2024: 1.92 years).

The weighted average share price at the date of exercise for share options exercised during the year 2024-2025 was ₹ **351.59** (2023-2024: ₹ 155.68).

Weighted average fair value of the options granted during the year 2024-2025 was ₹ **Nil** (2023-2024: ₹ Nil).

D. Expense recognised in Consolidated Statement of Profit and Loss

During the year ended 31 March 2025, the Holding Company has charged ₹ **Nil** (31 March 2024: ₹ Nil) as share based payment equity-settled expenses.

E. Details of the liabilities arising the share based payments to employees - Equity settled were as follows:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Total carrying amount	**75.43**	123.10

39. Related party disclosure

A. Enterprises where control exists:

i) Related parties with whom transactions have taken place during the year

a) **Key Management Personnel (KMP) and relatives of KMP**

Name of the related parties	Relationship
Mr. Shyam Sundar Choudhary, Executive Director	Key Management Personnel
Mr. Anurag Choudhary, Chairman cum Managing Director & Chief Executive Officer	Key Management Personnel
Mr. Amit Choudhary, Executive Director	Key Management Personnel
Mr. Kamlesh Kumar Agarwal, Chief Financial Officer and holding Directorship in subsidiary	Key Management Personnel
Mrs. Monika Saraswat, Company Secretary & Compliance Officer	Key Management Personnel
Mrs. Sheela Devi Choudhary	Relative of KMPs (wife of Mr. Shyam Sundar Choudhary)
Mrs. Shikha Choudhary	Relative of KMPs (wife of Mr. Anurag Choudhary)
Mrs. Rinku Choudhary	Relative of KMPs (wife of Mr. Amit Choudhary)
Mrs. Anooshka C Bathwal	Relative of KMPs (daughter of Mr. Anurag Choudhary)
Mr. Amritesh Choudhary	Relative of KMPs (son of Mr. Amit Choudhary)
Mr. Samridh Choudhary	Relative of KMPs (son of Mr. Anurag Choudhary)
Mr. Soham Bathwal	Relative of KMPs (son-in-law of Mr. Anurag Choudhary)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

39. Related party disclosure (Contd.)

b) Non-executive Directors

Name of the related parties
Mr. Sakti Kumar Banerjee, Non-Executive Independent Director (upto 31 March 2024)
Mr. Santimoy Dey, Non-Executive Independent Director
Mr. Santosh Kumar Agrawala, Non-Executive Independent Director**
Mrs. Rita Bhattacharya, Non-Executive Independent Director
Mr. Girish Paman Vanvari, Non-Executive Independent Director
Mr. Gopal Ajay Malpani, Non-Executive Independent Director

** Resigned w.e.f. 7 August 2023

ii) Enterprises controlled by the Key Managerial Personnel or relatives of KMP or both

Himadri Credit & Finance Limited

Sri Agro Himghar Limited

Himadri e-Carbon Limited

Bharat Seva Nidhi (New)

Himadri Foundation

Tuaman Engineering Limited

Himadri Birla Tyre Manufacturer Private Limited (Formerly: Dalmia Mining & Services Pvt Ltd) (w.e.f 17 November 2023)

Next Generation Traders Private Limited

Birla Tyres Limited (w.e.f 07 November 2023)

iii) Entities with significant influence over the Holding Company

Modern Hi-Rise Private Limited

iv) Firm in which director is a partner

Transaction Square LLP

B. Disclosure of transactions between the Group and related parties other than Key Managerial Persons

Amount in ₹ Lakhs

Name of the related party	Nature of transaction	Year ended 31 March 2025	Year ended 31 March 2024
Tuaman Engineering Limited	Purchase of stores & spares	**-**	643.35
	Payment for purchases	**-**	758.86
	Rental income	**-**	22.50
Himadri Birla Tyre Manufacturer Private Limited (Formerly: Dalmia Mining & Services Pvt Ltd)	Investment in Optionally convertible debentures (OCDs)	**-**	13,300.00
	Interest income on investments	**1.33**	0.04
Birla Tyres Limited	Interest income on investments	**0.05**	0.02
Modern Hi-Rise Private Limited	Rent paid	**0.14**	0.14
Sri Agro Himghar Limited	Rent paid	**0.06**	0.06
Next Generation Traders Pvt Ltd	Rent paid (w.e.f 01 November 2023)	**1,440.00**	600.00
Transaction Square LLP	Consultancy expenses	**120.00**	152.00
Himadri Foundation	Donation/Expenditure on corporate social responsibility	**607.30**	1,157.86
Modern Hi-Rise Private Limited	Dividend paid	**913.00**	456.50
Himadri Credit & Finance Limited	Dividend paid	**7.42**	3.71

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

39. Related party disclosure (Contd.)

C. Disclosure of transactions with Key Management Personnel & relatives of KMP

Key management personnels (KMP) remuneration comprised of the following:

Amount in ₹ Lakhs

Nature of transaction	Year ended 31 March 2025	Year ended 31 March 2024
Short-term employee benefits	**1,348.80**	1,178.63
Share based payments to employees - Equity settled	**-**	17.00
Other long-term benefits	**9.12**	8.17
Share based payment	**-**	-
Total remuneration paid to key management personnel	**1,357.92**	1,203.80
Sitting fees paid	**33.50**	46.75
Loan to KMPs	**-**	7.00
Refund of Loan to KMP	**(3.19)**	-
Interest income on loan to KMPs	**5.99**	5.99
Purchase of shares	**0.63**	3.17
Received against issue of share warrants, convertible into equity shares	**7,948.98**	27,179.25
Received against issue of shares under ESOP	**-**	138.18
Dividend paid	**327.71**	33.42

As the future liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

Based on the recommendation of the Nomination and Remuneration Committee of the Holding Company, all decisions relating to the remuneration of the KMP's are taken by the Board of Directors of the Holding Company, in accordance with shareholders' approval, wherever necessary.

The above transactions are exclusive of GST, wherever applicable.

D. Outstanding balances

Amount in ₹ Lakhs

Name of the related party	Nature of transaction	31 March 2025	31 March 2024
KMPs	Loan given (including interest receivable)	**113.01**	110.21
Birla Tyres Limited	Investment in Shares#	**0.00**	0.00
	Investment in OCDs (including interest receivable)*	**500.00**	500.02
Himadri Birla Tyre Manufacturer Private Limited (Formerly : Dalmia Mining & Services Pvt Ltd)	Investment in OCDs (including interest receivable)**	**13,300.00**	13,300.04
Invati Creations Private Limited	Investment in Shares	**4,516.13**	-
Transaction Square LLP	Consultancy expenses	**37.81**	-

* Fair value of OCD ₹ **508.37 Lakhs** (31 March 2024: ₹ 718.50 Lakhs).

** Fair value of OCD ₹ **13,055.00 Lakhs** (31 March 2024: ₹ 12,982.80 Lakhs).

Below rounding off norms of the Company

40. Operating segments

A. Basis of segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group' s other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

40. Operating segments (Contd.)

The Group has two reportable segments, as described below, which is the Group's strategic business verticals. These business verticals are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segment	Opeartions
Carbon materials and chemicals	Manufacturing
Power	Generation and Distribution

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Holding Company's Managing Director and Chief Executive Officer. Segment profit is used to measure performance as Group believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Amount in ₹ Lakhs

Year ended 31 March 2025	Reportable segments			Total
	Carbon materials and chemicals	Power	Elimination	
Segment revenue:				
- External revenues	**4,58,894.70**	**2,368.42**	**-**	**4,61,263.12**
- Inter-segment revenue	**-**	**8,104.20**	**8,104.20**	**-**
Total segment revenue	**4,58,894.70**	**10,472.62**	**8,104.20**	**4,61,263.12**
Segment results*	**69,884.93**	**9,293.22**	**-**	**79,178.15**
Reconciliation of segment result with profit before tax				
Other income	**-**	**-**	**-**	**5,169.18**
Finance costs	**-**	**-**	**-**	**(4,477.24)**
Foreign exchange gain/(loss) (net)	**-**	**-**	**-**	**748.00**
Profit before tax				**80,618.09**
Depreciation and amortisation expense	**5,186.15**	**310.37**	**-**	**5,496.52**
Segment assets	**3,15,781.39**	**10,354.40**	**-**	**3,26,135.79**
Unallocable corporate assets	**-**	**-**	**-**	**1,39,465.46**
Total segment assets	**3,15,781.39**	**10,354.40**	**-**	**4,65,601.25**
Segment liabilities	**29,376.75**	**60.58**	**-**	**29,437.33**
Unallocable corporate liabilities	**-**	**-**	**-**	**59,070.27**
Total segment liabilities	**29,376.75**	**60.58**	**-**	**88,507.60**

* Segment results represents earnings before other income, finance cost, foreign exchange gain/(loss) (net) and tax

Amount in ₹ Lakhs

Year ended 31 March 2024	Reportable segments			Total
	Carbon materials and chemicals	Power	Elimination	
Segment revenue:				
- External revenues	4,16,102.68	2,386.35	-	4,18,489.03
- Inter-segment revenue	-	7,614.70	7,614.70	-
Total segment revenue	4,16,102.68	10,001.05	7,614.70	4,18,489.03

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

40. Operating segments: (Contd.)

Amount in ₹ Lakhs

Year ended 31 March 2024	Reportable segments			Total
	Carbon materials and chemicals	Power	Elimination	
Segment results*	49,702.36	8,849.36	-	58,551.72
Reconciliation of segment result with profit before tax				
Other income	-	-	-	4,251.77
Finance costs	-	-	-	(6,386.74)
Foreign exchange gain/(loss) (net)	-	-	-	968.86
Exceptional items				-
Profit before tax				57,385.61
Depreciation and amortisation expense	4,676.18	309.69	-	4,985.87
Segment assets	3,08,539.37	10,728.58	-	3,19,267.95
Unallocable corporate assets	-	-	-	1,25,610.79
Total segment assets	3,08,539.37	10,728.58	-	4,44,878.74
Segment liabilities	62,290.94	48.10	-	62,339.04
Unallocable corporate liabilities	-	-	-	78,261.61
Total segment liabilities	62,290.94	48.10	-	1,40,600.65

* Segment results represents earnings before other income, finance cost, foreign exchange gain/(loss) (net) and tax

Secondary segment information (geographical segment)

Amount in ₹ Lakhs

	Within India		Outside India		Total	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024	**31 March 2025**	31 March 2024
External revenue by location of customers	**3,38,044.70**	3,39,747.92	**1,23,218.42**	78,741.11	**4,61,263.12**	4,18,489.03
Carrying amount of segment assets by location of assets	**4,34,503.18**	4,15,798.04	**31,098.07**	29,080.70	**4,65,601.25**	4,44,878.74
Cost incurred on acquisition of property, plant and equipment and other intangible assets	**25,446.72**	5,468.06	**-**	49.95	**25,446.72**	5,518.01

Revenue from **2** (31 March 2024: 1) customer of the Group's Carbon material and chemical segment is **₹ 94,218.87 Lakhs** (31 March 2024: ₹ 66,540.91 Lakhs) which is more than 10 percent of the Group's total revenue.

41. Financial Instrument

Accounting Policy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The Group has an established control framework with respect to the measurement of fair values. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair value for measurement

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial Instrument (Contd.)

and/or disclosure purposes in the financial statement is determined on such a basis, except for share-based payment transactions, leasing transactions and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories or value in use in Impairment of Assets.

The estimated fair value of the Group's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

A. Fair value measurement of financial instrument

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

Amount in ₹ Lakhs

As on 31 March 2025	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	-	18,257.08	18,257.08	-	18,257.08	-
Investment in equity instruments (unquoted)	7	-	-	30.75	30.75	-	28.08	2.67
Investment in equity instruments (quoted)*	7	-	-	1,204.94	1,204.94	2.65	-	1,202.29
Investment in mutual funds (quoted)	7	-	416.65	-	416.65	416.65	-	-
Investment in debentures (unquoted)	7	-	37,831.31	-	37,831.31	-	37,831.31	-
Investment in Compulsorily Convertible Notes (unquoted)	7	-	476.26	-	476.26	-	476.26	-
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	64,300.64	-	-	64,300.64	-	-	-
Cash and cash equivalents	9	15,510.61	-	-	15,510.61	-	-	-
Bank balances other than cash and cash equivalents	10	51,670.64	-	-	51,670.64	-	-	-
Loans	11	208.52	-	-	208.52	-	-	-
Other financial assets	12	10,032.64	-	-	10,032.64	-	-	-
Financial liabilities:								
Borrowings	19	30,870.18	-	-	30,870.18	-	-	-
Trade payables	20	23,931.83	-	-	23,931.83	-	-	-
Derivatives	21	-	423.83	-	423.83	-	423.83	-
Lease liabilities	22	473.82	-	-	473.82	-	-	-
Other financial liabilities	22	3,534.17	-	-	3,534.17	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial Instrument (Contd.)

Amount in ₹ Lakhs

As on 31 March 2024	Note	Carrying value				Fair value measurement using		
		Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVOCI	Total carrying amount	Level 1	Level 2	Level 3
Financial assets:								
Investment in preference shares (unquoted)	7	-	-	18,257.08	18,257.08	-	18,257.08	-
Investment in equity instruments (unquoted)	7	-	-	22.06	22.06	-	20.19	1.87
Investment in equity instruments (quoted)*	7	-	-	946.66	946.66	2.24	-	944.42
Investment in mutual funds (quoted)	7	-	82.23	-	82.23	82.23	-	-
Investment in debentures (unquoted)	7	-	28,446.11	-	28,446.11	-	28,446.11	-
Investment in government securities	7	0.07	-	-	0.07	-	-	-
Trade receivables	8	66,583.39	-	-	66,583.39	-	-	-
Cash and cash equivalents	9	21,488.41	-	-	21,488.41	-	-	-
Bank balances other than cash and cash equivalents	10	51,652.73	-	-	51,652.73	-	-	-
Loans	11	139.50	-	-	139.50	-	-	-
Other financial assets	12	5,161.95	101.39	-	5,263.34	-	101.39	-
Financial liabilities:								
Borrowings	19	60,041.97	-	-	60,041.97	-	-	-
Trade payables	20	57,036.29	-	-	57,036.29	-	-	-
Derivatives	21	-	-	-	-	-	-	-
Lease liabilities	22	453.69	-	-	453.69	-	-	-
Other financial liabilities	22	2,546.24	-	-	2,546.24	-	-	-

*Investment in equity instrument of Himadri Credit & Finance limited has been considered as level 3 as no marekt price (quoted) is available in active market in calcutta stock exchange.

B. Fair value hierarchy

The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. Unquoted mutual fund units are valued using the closing net asset value. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following methods and assumptions were used to estimate the fair values:

(a) The fair value of the quoted investments are based on market price at the respective reporting date.

(b) The fair value of the unquoted investments included in level 2 has been determined using valuation techniques with market observable inputs. The model incorporate various inputs including prevailing market value of investments in listed company.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial Instrument (Contd.)

(c) The fair value of the quoted /unquoted investments included in level 3 are based on the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

(d) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(e) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.

(f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rate used is based on the Group's estimates.

(g) The fair value of the commodity hedge is determined using the commodity rates existing as at the end of the reporting period.

There were no transfer of financial assets or liabilities measured at fair value between level 1 and level 2, or transfer into or out of level 3 during the year ended 31 March 2025 and 31 March 2024.

Reconciliation of level 3 fair value measurements

The following table shows a reconciliation from opening balances to closing balances for level 3 for fair values on a recurring basis.

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Balance as at beginning of the year	**946.29**	608.23
Change in value of investment in equity instruments measured at FVTOCI (unrealised)	**258.67**	338.06
Change in value due to sale of investment in equity instruments measured at FVTPL (realised)	**-**	-
Balance as at end of the year	**1,204.96**	946.29

Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31 March 2024.

Financial assets and liabilities measured at fair value as at Consolidated Balance Sheet date:

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Consolidated Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

2. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

Other financial assets and liabilities

- Cash and Cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

41. Financial Instrument (Contd.)

Significant unobservable inputs used in level 3 fair values

Certain investments are valued using level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.

42. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

Risk management framework

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. The key risks and mitigating actions are also placed before the audit committee of the Group.

The sources of risks which the Group is exposed to and their management is given below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Investments, Derivative financial instruments, Loans	Ageing analysis, Credit rating	Credit limit and credit worthiness monitoring, credit based approval process
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Market Risk			
Foreign exchange risk	Committed commercial transaction Financial asset and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts. Foreign currency options principal only/currency swaps
Interest rate	Long term borrowings at variable rates and other debt securities	Sensitivity analysis Interest rate movements	Interest rate swaps
Commodity price risk	Movement in prices of raw materials	Commodity price tracking	Maintaining inventory at optimum level
Security prices	Investment in equity instruments	Sensitivity analysis	Portfolio diversification

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Financial risk management (Contd.)

(i) Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank, investments in debt securities and foreign exchange transactions. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables indicate a low credit risk.

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Group also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customer operates. The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months for customers.

Details of concentration percentage of revenue generated from a top customer and top five customers are stated below:

	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from a top customer	**10%**	16%
Revenue from top five customers	**41%**	42%

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. The Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for trade receivables.

Movement in impairment loss:

Amount in ₹ Lakhs

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	**900.00**	717.01
Add: Provided during the year	**-**	182.99
Less: Utilised during the year	**-**	-
Balance at the end of the year	**900.00**	900.00

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Financial risk management (Contd.)

Amount in ₹ Lakhs

As at 31 March 2025	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
Gross carrying amount - current	**53,805.70**	**7,745.34**	**1,415.96**	**152.34**	**100.64**	**962.25**	**64,182.23**
Gross carrying amount - non-current	**-**	**-**	**-**	**-**	**-**	**1,018.41**	**1,018.41**
Average expected loss rate on current	**0.00%**	**0.00%**	**0.00%**	**43.07%**	**75.00%**	**78.87%**	**1.40%**
Expected credit loss provision*	**-**	**-**	**-**	**65.61**	**75.48**	**758.91**	**900.00**
Carrying amount of trade receivable (net of expected credit loss provision)	**53,805.70**	**7,745.34**	**1,415.96**	**86.73**	**25.16**	**1,221.75**	**64,300.64**

Amount in ₹ Lakhs

As at 31 March 2024	Not Due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	Over 180 days	Total
Gross carrying amount - current	54,164.82	7,460.40	2,792.21	792.31	407.88	847.36	66,464.98
Gross carrying amount - non-current	-	-	-	-	-	1,018.41	1,018.41
Average expected loss rate on current	0.00%	0.00%	0.00%	8.28%	18.51%	89.56%	1.35%
Expected credit loss provision*	-	-	-	65.61	75.48	758.91	900.00
Carrying amount of trade receivable (net of expected credit loss provision)	54,164.82	7,460.40	2,792.21	726.70	332.40	1,106.86	66,583.39

*The non-current debtors are under arbitration and matter has been awarded in Co.'s favour and accordingly no ECL has been considered on non-current debtors.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, finding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Financial risk management (Contd.)

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Amount in ₹ Lakhs

31 March 2025	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	**30,870.18**	**30,851.72**	**138.61**	**75.99**	**87.10**	**-**	**31,153.42**
Trade payables (including acceptances)	**23,931.83**	**23,931.83**	**-**	**-**	**-**	**-**	**23,931.83**
Other financial liabilities	**3,534.17**	**3,508.40**	**-**	**-**	**-**	**25.77**	**3,534.17**
Lease liabilities including lease interest	**473.82**	**181.90**	**116.26**	**109.93**	**85.90**	**43.50**	**537.49**

Amount in ₹ Lakhs

31 March 2024	Carrying amount	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
Borrowings (including estimated interest)	60,041.97	59,043.03	1,490.46	708.01	98.05	-	61,339.55
Trade payables (including acceptances)	57,036.29	57,036.29	-	-	-	-	57,036.29
Other financial liabilities	2,546.24	2,520.47	-	-	-	25.77	2,546.24
Lease liabilities including lease interest	453.69	144.09	116.26	109.93	93.71	54.72	518.71

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

(a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of raw materials and spare parts, capital expenditure, exports of finished goods. The currency in which these transactions are primarily denominated is USD. The Group manages currency exposures within prescribed limits, through use of forward exchange contracts and cross currency swap. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Financial risk management (Contd.)

Exposure to currency risk

The Group's exposure to foreign currency as at the end of the reporting period are as follows:

31 March 2025	In original currency (USD in Lakhs)	In local currency (₹ in Lakhs)
Financial Assets		
Trade receivables	**173.42**	**14,841.13**
Cash and cash equivalents	**8.10**	**693.38**
	181.52	**15,534.51**
Financial Liabilities		
Borrowings	**327.10**	**27,993.53**
Trade payables	**64.32**	**5,504.47**
Other financial liabilities	**7.14**	**610.87**
Less: Forward currency contracts/options	**(550.00)**	**(47,069.77)**
	(151.44)	**(12,960.90)**
Net exposure in respect of recognised financial assets and financial liabilities	**332.96**	**28,495.41**

31 March 2024	In original currency (USD in Lakhs)	In local currency (₹ in Lakhs)
Financial Assets		
Trade receivables	150.32	12,532.69
Cash and cash equivalents	0.21	17.68
	150.53	12,550.37
Financial Liabilities		
Borrowings	344.21	28,698.15
Trade payables	67.74	5,647.41
Other financial liabilities	6.78	565.08
Less: Forward currency call options	(354.23)	(29,533.28)
	64.50	5,377.36
Net exposure in respect of recognised financial assets and financial liabilities	86.03	7,173.01

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Amount in ₹ Lakhs

	Profit or (loss)		Equity (net of tax)	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2025				
USD (5% Movement)	**(1,424.77)**	**1,424.77**	**(926.90)**	**926.90**
31 March 2024				
USD (5% Movement)	(358.65)	358.65	(233.32)	233.32

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Financial risk management (Contd.)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's current borrowings with floating interest rates. For all non-current borrowings with floating rates, the risk of variation in the interest rates in mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments at the end of the reporting period are as follows:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Fixed rate instruments		
Financial assets	**63,822.91**	51,754.41
Financial liabilities	**(28,370.18)**	(29,052.63)
	35,452.73	22,701.78
Variable rate instruments		
Financial assets	**-**	-
Financial liabilities	**(2,500.00)**	(30,989.34)
	(2,500.00)	(30,989.34)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Amount in ₹ Lakhs

	Profit or (loss)		Equity (net of tax)	
	Decrease in rate	Increase in rate	Decrease in rate	Increase in rate
31 March 2025				
Variable rate instruments (1% Movement)	**25.00**	**(25.00)**	**16.26**	**(16.26)**
Cash flow sensitivity (net)	**25.00**	**(25.00)**	**16.26**	**(16.26)**
31 March 2024				
Variable rate instruments (1% Movement)	309.89	(309.89)	201.60	(201.60)
Cash flow sensitivity (net)	309.89	(309.89)	201.60	(201.60)

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables, in particulars foreign currency exchange rates, remain constant. Further, the calculation for the unhedged floating rate borrowing have been done on the notional value of the foreign currency.

(c) Equity price risks

The Group's quoted and unquoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

42. Financial risk management (Contd.)

Sensitivity analysis

Investment in equity instruments made by the Group are listed on the BSE Ltd (BSE), National Stock Exchange of India Ltd (NSE) and Calcutta Stock Exchange (CSE) in India. There is no significant investment outstanding as at 31 March 2025. Hence, sensitivity analysis is not given.

(d) The following table gives details in respect of outstanding foreign currency forward, cross currency swaps, interest rate swaps and option contracts:

	Currency pair	Position	31 March 2025		31 March 2024	
			Amount in foreign currency in Lakhs	Amount in ₹ in Lakhs	Amount in foreign currency in Lakhs	Amount in ₹ in Lakhs
Forward contracts [**Nil**, (previous year 6)]	USD/INR	Sell	**-**	**-**	354.23	29,533.28
Forward contracts [**5**, (previous year Nil)]	USD/INR	Buy	**550.00**	**47,069.77**	-	-

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Consolidated Balance Sheet date:

Amount in ₹ Lakhs

	31 March 2025	31 March 2024
Not later than one month	**-**	-
Later than one month and not later than three months	**(423.83)**	58.84
Later than three months and not later than one year	**-**	42.55
	(423.83)	101.39

The following table provides quantitative information about offsetting of derivative financial assets and derivative financial liabilities:

Amount in ₹ Lakhs

	31 March 2025		31 March 2024	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognised financial asset/ liability	**-**	**(423.83)**	101.39	-
Net amount presented in Consolidated Balance Sheet	**-**	**(423.83)**	101.39	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

43. Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013

	Net assets (total assets minus total liabilities)		Share in Profit or Loss		Share in OCI		Share in total comprehensive income	
	As % of Consolidated net assets	Amount in ₹ Lakhs	As % of Consolidated profit or loss	Amount in ₹ Lakhs	As % of Consolidated other comprehensive income	Amount in ₹ Lakhs	As % of Consolidated total comprehensive income	Amount in ₹ Lakhs
Parent								
Himadri Speciality Chemical Limited	96.73%	3,64,752.55	100.54%	55,807.05	78.38%	1,531.05	99.76%	57,338.10
Subsidiaries:								
Indian								
1. Combe Projects Private Limited	0.00%	4.46	0.00%	(2.21)	0.00%	-	0.00%	(2.21)
2. Himadri Clean Energy Limited	0.02%	73.55	(0.68%)	(375.60)	0.00%	-	(0.65%)	(375.60)
3. Himadri Future Material Technology Limited	0.00%	(2.02)	(0.01%)	(6.33)	0.00%	-	(0.01%)	(6.33)
4. Himadri Green Technologies Innovation Limited	(0.01%)	(28.11)	(0.05%)	(28.97)	0.00%	-	(0.05%)	(28.97)
5. Invati Creations Private Limited	0.92%	3,478.20	(0.05%)	(27.95)	0.00%	-	(0.05%)	(27.95)
Foreign								
1. AAT Global Limited	(2.18%)	(8,234.84)	0.69%	383.96	0.00%	-	0.67%	383.96
2. Shandong Dawn Himadri Chemical Industry Limited	(1.24%)	(4,663.70)	(0.32%)	(179.49)	0.00%	-	(0.31%)	(179.49)
3. Himadri Speciality Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non-controlling interests in all subsidiaries	1.30%	4,919.75	(0.10%)	(53.39)	(0.34%)	(6.67)	(0.10%)	(60.06)
Intercompany eliminations on consolidation	4.46%	16,793.81	(0.02%)	(7.10)	0.00%	-	(0.01%)	(7.10)
Exchange differences in translating financial statements of foreign operations	0.00%	-	0.00%	-	21.96%	428.85	0.75%	428.85
At 31 March 2025	**100.00%**	**3,77,093.65**	**100.00%**	**55,509.97**	**100.00%**	**1,953.23**	**100.00%**	**57,463.20**

44. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders. The Group's objective when managing capital are to: (a) maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. The Group may take appropriate steps in order to maintain or adjust its capital structure.

The Group monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Amount in ₹ Lakhs

		31 March 2025	31 March 2024
Borrowings	A	**30,870.18**	60,041.97
Cash and bank balances and investment in mutual funds	B	**67,597.90**	73,223.37
TOTAL	C = A-B	**(36,727.72)**	(13,181.40)
Equity	D	**3,77,093.65**	3,04,278.09
Debt to Equity	E = A / D	**0.08**	0.20
Debt to Equity (net)	F = C / D	**(0.10)**	(0.04)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

44. Capital management (Contd.)

For the purpose of the Group's capital management

(a) Borrowings includes as non-current borrowings, current borrowings and current maturities of non-current borrowings as described in note 19.

(b) Equity includes issued, subscribed and fully paid-up equity share capital and other equity attributable to the equity holders of the Group as described in note 17 and 18.

(c) Cash and bank balances include cash and cash equivalents, mutual funds and Bank balances other than cash and cash equivalents (refer note 7, 9 and 10)

45. Other Additional Regulatory Information

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Holding Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Holding Company has taken working capital borrowings from banks and financial institutions on the basis of security of current assets. The quarterly statement filed to the banks and financial institutions are in agreement with the books of accounts.

(iii) Willful defaulter

The Holding Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Holding Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 except the following:

Amount in ₹ Lakhs

Name of the struck off Company	Nature of transactions with struck off Company	Relationship with the struck off Companies	Number of shares outstanding 31 March 2025	Number of shares outstanding 31 March 2024	31 March 2025	31 March 2024
Frohar Trading Private Limited	Shares held by struck off Company	NA	**1,700**	1,700	**0.01**	0.00
Trishul Vintrade Private Limited	Shares held by struck off Company	NA	**590**	590	**0.00**	0.00
Nipu Commercial Private Limited	Shares held by struck off Company	NA	**650**	650	**0.00**	0.00

(v) Compliance with number of layers of companies

The Holding Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Holding Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Holding Company (Ultimate Beneficiaries). The Holding Company has not received any fund from any party(s) (Funding Party) with the understanding that the Holding Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2025 (Contd.)

45. Other Additional Regulatory Information (Contd.)

(viii) Undisclosed income

The Group do not have any such transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Holding Company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(xiii) The Holding Company and its subsidiaries incorporated in India has used accounting software for maintaining their respective books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered and the audit trail has been preserved by the Holding Company and subsidiary companies incorporated in India as per the statutory requirements for record retention to the extent applicable.

46. The management has evaluated all activities of the Group till 21 April 2025 and concluded that there were no additional subsequent events required to be reflected in the Group's financial statements except the following Companies which become subsidiary Companies:

i) Birla Tyres Limited - Subsidiary w.e.f. 01 April 2025 and Wholly Owned Subsidiary	w.e.f. 07 April 2025.
ii) Himadri Birla Tyre Manufacturer Private Limited – Subsidiary**	w.e.f. 01 April 2025.
iii) Trancemarine and Confreight Logistics Private Limited - Subsidiary	w.e.f. 04 April 2025.
iv) Sturdy Niketan Private Limited - Subsidiary of Trancemarine and Confreight Logistics Private Limited	w.e.f .04 April 2025.

** The Holding Company holds 49% of paid-up equity share capital of Himadri Birla Tyre Manufacturer Private Limited ("HBTMPL") w.e.f. 01 April 2025. However, based on contractual rights (including potential voting right combined with 49% voting right), the Holding Company has the power to make decisions concerning relevant activities and thus has control over HBTMPL as per IND AS 110: "Consolidated Financial Statements".

As per our report of even date attached

For **Singhi & Co.**
Chartered Accountants
Firm's Registration Number: 302049E

Sd/-
Navindra Kumar Surana
Partner
Membership No. 053816

Place: Kolkata
Date: 21 April 2025

For and on behalf of the Board of Directors of
Himadri Speciality Chemical Ltd
CIN: L27106WB1987PLC042756

Sd/-
Anurag Choudhary
Chairman cum Managing Director &
Chief Executive Officer
DIN: 00173934

Sd/-
Shyam Sundar Choudhary
Executive Director
DIN: 00173732

Sd/-
Kamlesh Kumar Agarwal
Chief Financial Officer

Sd/-
Monika Saraswat
Company Secretary &
Compliance Officer

Place: Kolkata
Date: 21 April 2025

Notes

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Registered Office

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Email: info@himadri.com | Website: www.himadri.com

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