

N V C & Associates LLP
Chartered Accountants

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel.: (91-22) 6752 7100 Email : nvc@nvc.in

INDEPENDENT AUDITORS' REPORT

To
The Members of
Chloride Metals Limited

Report on the Audit of the Standalone Financial Statements.

Opinion

We have audited the attached Standalone Financial Statements of Chloride Metals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of Material Accounting Policy information and other explanatory information (hereinafter referred to as "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 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other



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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 audit opinion on the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's Report but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and



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presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial statements, 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 is 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 guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



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3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make 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 Standalone 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.

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 Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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- 2) As required by Section 143(3) of the Act, 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 except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With reference to maintenance of accounts and other matters therewith, reference is invited to paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
 - g. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our



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opinion and to the best of 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 42 to the Standalone Financial Statements,
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
- iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The management has represented that, to the best of 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 company to or in any other person or entity, including foreign entities (“intermediaries”) with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - c. Based on such audit procedures 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 (iv)(a) and (iv)(b) above contain any material misstatement.
- v. The Company has not declared and paid any dividend during the year until the date of this report, hence compliance with the provisions of section 123 of the Companies Act, 2013 is not required.



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

Further, the audit trail has been retained by the Company as per the statutory requirements for record retention except that the audit trail for database level changes is retained only from September 09,2024.

For N V C & Associates LLP
Chartered Accountants
Firm Registration No. 106971W / W101085

Sd/-

Pratik Boghani

Partner

Membership No. 183338

Mumbai, Dated: April 23, 2026.

UDIN: 26183338ZVQCBZ1233



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Annexure A to the Independent Auditor's Report

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) a. (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right of use assets.
- (B) The company has generally maintained proper records showing full particulars of intangible assets.
- b. Property, Plant and Equipment and Right of Use assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. We have verified the title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements and included in Property, Plant and Equipment and based on such verification we confirm that the same are held in the name of the company.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- e. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 as amended and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. The discrepancies wherever noted have been properly dealt with in the books of account of the Company.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company as detailed in Note 20 and



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disclosed vide Statement 1 to the Notes to accounts.

- (iii) During the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence sub-clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)(f) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- (iv) The company has not given any loans, or made any investments, or given any guarantees and security to which section 185 or section 186 of the Companies Act, 2013 applies.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax Act, Provident fund, Employees State Insurance, Income Tax, duty of Customs, excise, Cess and other statutory dues to the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2026 for a period of more than six months from the date they became payable.
(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below:



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Name of statute	Nature of dues	Amount (In Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Disallowance of Expenses	133.04	AY 2022-23	CIT (A)
Income Tax	Disallowance of Expenses	1.86	AY 2023-24	CIT (A)
Service Tax	Tax, Interest and Penalty	0.10	FY 2017-18	Additional Commissioner (Appeals-I) Central Tax
Goods and Services Tax	Tax, Interest and Penalty	1.10	FY 18-19 To FY 23-24	Deputy Commissioner State Tax, Appeals
Goods and Services Tax	Tax , Interest and Penalty for Inadmissible Input Tax Credit	1.14	FY 20-21	Assistant Commissioner CGST and Central Excise
Customs Duty	Short Collection of duty	0.12	FY 2011-12	Commissioner of Customs (Appeals-II)
Customs Duty	Short Collection of duty	0.28	FY 2020-21	Commissioner of Customs (Appeals-II)
Goods and Services Tax	Interest	0.49	FY 2021-22	Joint Commissioner (Appeal)
	Total	138.14		

Out of the above Rs. 0.39 crores have been paid against appeals under protest.

- (viii) There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



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- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) The company has not raised any term loans during the year and hence clause 3(ix)(c) of the Companies (Audit report) order 2020 is not applicable to the company
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has used funds raised on short term basis aggregating to Rs. 158.54 crores for long-term purposes.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its associate and hence clause 3(ix)(e) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (f) The company has not raised loans during the year on the pledge of securities held in its associate company and hence clause 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (x) (a) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year and hence clause 3(x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partially / optionally convertible debentures during the year under review.
- (xi) (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (c) No whistle-blower complaints have been received during the year by the Company.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.



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- (xiii) The provisions of Section 177 of The Companies Act, 2013 are not applicable to the Company. All transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of Board of Directors are concerned. The details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till the date of this report, in determining the nature, timing and extent of our audit procedures.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 are not applicable to the company. Further as required by clause 3(xvi)(d), we are informed that there are no CICs in the group.
- (xvii) On an examination of the Statement of Profit and Loss account, we report that the Company has not incurred cash loss in the current financial year but had incurred cash loss of Rs 26.47 crores during the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) of the Companies (Auditors Report) Order 2020 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 realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial statements, our knowledge of the Board of Directors and management plans and representations and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the



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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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no ongoing projects and therefore sub-clause 3(xx)(b) is not applicable to the Company.

For N V C & Associates LLP
Chartered Accountants
Firm Registration No. 106971W / W101085

Sd/-

Pratik Bhogani



Partner

Membership No. 183338

Mumbai, Dated: April 23, 2026

UDIN: 26183338ZVQCBZ1233

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(g) under Report on Other Legal and Regulatory Requirements' section of our report to the Members of Chloride Metals Limited of even date)

Report on the Internal financial Controls with reference to Standalone Financial Statements under Clause Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Chloride Metals Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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 ("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.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement in the Standalone 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 system with reference to Standalone Financial Statements.

Meaning of Internal financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal financial Controls with reference to Standalone Financial Statements.

Because of the inherent limitations of financial controls with reference to 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



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the internal financial control with reference to 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 system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial Controls Over financial Reporting issued by the Institute of Chartered Accountants of India.

For N V C & Associates LLP
Chartered Accountants
Firm Registration No. 106971W / W101085



Sd/-

Pratik Boghani

Partner

Membership No. 183338

Mumbai, Dated: April 23, 2026

UDIN: 26183338ZVQCBZ1233

CHLORIDE METALS LIMITED
CIN U34300WB1998PLC181003
Standalone Balance Sheet as at March 31, 2026

Particulars	Note No.	As at	
		March 31, 2026 (Rs. In Crore)	March 31, 2025 (Rs. In Crore)
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	475.65	516.74
(b) Capital work-in-progress	4	2.08	3.22
(c) Other Intangible Assets	4	0.20	0.12
(d) Financial assets			
(i) Investment	5	2.75	2.68
(ii) Other Financial Assets	6	3.65	3.19
(e) Deferred tax Assets (net)	19	2.78	4.66
(f) Other non-current assets	7	28.23	20.68
		<u>515.34</u>	<u>551.29</u>
(2) Current assets			
(a) Inventories	8	226.17	586.47
(b) Financial assets			
(i) Trade receivables	9	482.99	315.55
(ii) Cash and cash equivalents	10	6.75	3.33
(iii) Other Financial Assets	11	10.46	2.94
(c) Other current assets	12	82.26	165.43
		<u>808.63</u>	<u>1,073.72</u>
(3) Non-Current Assets held for Sale	13	-	17.13
Total Assets		<u>1,323.97</u>	<u>1,642.14</u>
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	14	73.58	73.58
(b) Other equity	15	158.56	172.47
		<u>232.14</u>	<u>246.05</u>
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Long Term Borrowings	16	30.54	52.34
(ii) Lease liabilities	17	68.54	71.17
(b) Provisions	18	3.78	3.83
		<u>102.86</u>	<u>127.34</u>
(2) Current liabilities			
(a) Financial liabilities			
(i) Short Term Borrowings	20	128.57	569.41
(ii) Lease liabilities	21	2.32	2.46
(iii) Trade payables			
Total outstanding dues of micro and small enterprises	22	11.19	19.06
Total outstanding dues of creditors other than micro and small enterprises	22	819.93	640.31
(iv) Other financial liabilities	23	13.48	21.57
(b) Other current liabilities	24	12.50	9.15
(c) Provisions	25	0.98	0.78
(d) Liabilities related to Non-Current Assets held for Sale	13	-	6.00
		<u>988.97</u>	<u>1,268.74</u>
Total Equity and Liabilities		<u>1,323.97</u>	<u>1,642.14</u>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For N V C & Associates LLP
Chartered Accountants
ICAI Firm Registration No. : 106971W/W101085

Sdf-
Pratik Boghani
Partner
M.No. 183338



Place : Mumbai
Date : April 23, 2026

For and on behalf of the Board of Directors

Sdf-
Manoj Kumar Agarwal
DIN 11040471
Director

Sdf-
Rajalakshman R
DIN 11456554
Managing Director &
CEO

Sdf-
Mushal Bircar
Chief Financial Officer

Sdf-
Atreyee Mukherjee
Company Secretary
ACS No. 50621

Place : Kolkata
Date : April 23, 2026

CHLORIDE METALS LIMITED
CIN U34300WB1998PLC181003
Standalone Statement of Profit and Loss for the year ended March 31, 2026

Particulars	Note No.	2025-26	2024-25
		(Rs. In Crore)	(Rs. In Crore)
I) INCOME			
Revenue from operations (gross)	26	6,036.16	5,739.69
Other income	27	10.79	31.30
Total Income (I)		6,046.95	5,770.99
II) EXPENSES			
Cost of raw materials and components consumed	28	5,458.05	5,371.79
(Increase) / decrease in Inventories of finished goods and work-in - progress	29	129.87	(29.82)
Employee benefits expense	30	78.21	76.02
Finance costs	31	69.71	92.74
Depreciation & amortization expense	32	49.64	44.88
Other expenses	33	287.52	286.61
Total expenses (II)		6,073.00	5,842.22
Profit / (Loss) before exceptional items and tax (I-II) = (III)		(26.05)	(71.23)
Exceptional Items - Income/(Expense) (IV)	34	13.89	-
Profit / (Loss) after exceptional items and before tax (III+IV)		(12.16)	(71.23)
Tax expense	35	1.82	2.34
1. Current tax		-	-
2. Short/ (excess) provision of income tax		(0.06)	-
3. Deferred tax liability / (asset)		1.88	2.34
Profit / (Loss) for the year from continuing operations		(13.98)	(73.57)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair Value of Investment carried through Other Comprehensive Income		0.07	(0.05)
Remeasurement of the net defined benefit (loss) / gain		0.00	(0.23)
Tax effect thereon		(0.00)	0.06
Total other comprehensive income, net of tax		0.07	(0.22)
Total comprehensive income for the year		(13.91)	(73.79)
Earnings per equity share			
Equity shares of par value Rs.10/- each	36		
Basic and diluted before Exceptional Item (Rs)		(3.79)	(10.00)
Basic and diluted after Exceptional Item (Rs)		(1.90)	(10.00)

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date
For N V C & Associates LLP
Chartered Accountants
ICAI Firm Registration No. : 106971W/W101085

Sdl-
Pratik Boghani
Partner
M.No. 183338



Place : Mumbai
Date : April 23, 2026

For and on behalf of the Board of Directors

Sdl-
Manoj Kumar Agarwal
DIN 11040471
Director

Sdl-
Rajalakshman R
DIN 11456554
Managing Director &
CEO

Sdl-
Kushal Sircar
Chief Financial Officer

Sdl-
Atreyee Mukherjee
Company Secretary
ACS No. 50621

Place : Kolkata
Date : April 23, 2026

CHLORIDE METALS LIMITED
CIN U34300WB1989PLC181003
Standalone Statement of Cash Flows for the year ended March 31, 2026

	2025-26 (Rs. in Crore)	2024-25 (Rs. in Crore)
Cash flow from operating activities:		
Profit / (Loss) before tax and after exceptional item	(12.16)	(71.23)
Add: Adjustments		
Depreciation and amortization expense	49.64	44.88
Interest and borrowing costs	64.06	87.56
Interest on Inter Corporate Deposit	-	0.69
Interest on lease liability	5.59	4.47
Remeasurement (Gain)/loss on Lease Arrangement	-	(0.31)
Interest on Income tax refund	-	(0.85)
Interest received	(0.27)	(0.08)
Interest accounted on EIT basis	(0.07)	(0.06)
Profit on sale of plant, property and equipment	(0.22)	-
Exceptional Item - Profit on transfer of Non Current Asset held for Sale	(13.89)	-
Property, Plant and Equipment Written off	0.09	-
Net Exchange (gain) / loss on restatement	4.80	(1.43)
Sundry Balances written back	(0.00)	(0.04)
Sundry balances written off	-	0.00
Reversal of provision for expected credit loss	(0.01)	(0.01)
Provision for Doubtful Recoverables	-	0.14
Total adjustments	109.72	134.98
Working capital changes		
(Increase) / decrease in trade receivables	(167.24)	(62.25)
(Increase) / decrease in loans and other financial assets and other assets	74.31	(21.78)
(Increase) / decrease in inventories	360.30	(134.71)
Increase / (decrease) in trade payables	171.77	154.73
Increase / (decrease) in other financial liabilities and other liabilities and provisions	2.38	(0.30)
Movement in working capital	441.52	(64.31)
Cash generated from operations	539.08	(0.56)
Income tax paid (net of refunds)	0.71	1.78
Net cash flows from operating activities	539.79	0.72
Cash flow from investing activities		
Purchase of property, plant and equipment, Other Intangible assets and Capital Work In Progress including Capital Advances	(17.69)	(54.20)
Proceeds from sale of property, plant and equipment	0.68	-
Proceeds from sale of Non-Current Asset held for Sale	25.00	-
Earnest Money Deposit towards Non-Current Asset held for Sale	-	6.00
Investment in Associate	-	(1.49)
Interest received	0.27	0.08
Net cash flows from / (used in) investing activities	8.26	(49.61)
Cash flow from financing activities		
Payment of lease liabilities	(2.01)	(1.70)
Interest on Lease Liabilities	(5.59)	(4.47)
Proceeds from long term borrowings	-	10.78
Repayment of long term borrowings	(25.44)	(33.55)
Proceeds / (Repayment) from Short Term borrowings	(442.19)	223.80
Repayment of Inter Corporate Deposit	-	(100.00)
Interest paid	(59.40)	(86.10)
Net cash flow from / (used in) financing activities	(544.63)	6.76
Net increase / (decrease) in cash and cash equivalents	3.42	(42.13)
Cash and cash equivalents at the beginning of the year	3.33	45.46
Cash and cash equivalents at the end of the year	6.75	3.33
Components of Cash & cash equivalents		
Balances with banks	6.75	3.32
Cash on hand	0.00	0.01
	6.75	3.33

Refer note no. 16 (d) for reconciliation of liabilities from financing activities

The accompanying notes form an integral part of the Standalone financial statements:

As per our report of even date
For N V C & Associates LLP
Chartered Accountants
ICAI Firm Registration No. : 106971W/W101085



Place : Mumbai
Date : April 23, 2026

For and on behalf of the Board of Directors:

Sdl- Sdl-
Rajesh Kumar Agarwal Rajalokshman R

DIN 11040471
Director

DIN 11456554
Managing Director
& CEO

Sdl- Sdl-
Kushal Ghosh
Chief Financial Officer

Atravee Mukherjee
Company Secretary
ACS No. 50521

Place : Kolkata
Date : April 23, 2026

CHLORIDE METALS LIMITED
CIN U34300WB1998PLC181003
Standalone Statement of Changes in Equity for the year ended March 31, 2026

A) Equity share capital

	March 31, 2026		March 31, 2025	
	Number	(Rs. In Crore)	Number	(Rs. In Crore)
Authorized Share Capital				
Balance at the beginning of the year	8,00,00,000	80.00	8,00,00,000	80.00
Changes in Authorised Capital during the year	-	-	-	-
Balance at March 31,2026	8,00,00,000	80.00	8,00,00,000	80.00
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	7,35,84,440	73.58	7,35,84,440	73.58
Changes in equity share capital during the year	-	-	-	-
Balance at March 31,2026	7,35,84,440	73.58	7,35,84,440	73.58

B) Other equity

Particulars	Reserves and Surplus			Other Comprehensive Income (not to be reclassified to P&L)	(Rs. In Crore)
	Securities Premium	General Reserve	Retained Earnings		
Balance at April 1, 2024	229.72	16.10	0.44	-	246.26
Changes during the year					
Profit / (Loss) for the year	-	-	(73.57)	-	(73.57)
Remeasurement gain/(loss) on defined benefit plans, net of tax	-	-	(0.22)	-	(0.22)
Balance at March 31, 2025	229.72	16.10	(73.35)	-	172.47
Changes during the year					
Profit / (Loss) for the year	-	-	(13.98)	-	(13.98)
Fair Value of Investments in Equity Instruments through OCI	-	-	0.05	0.02	0.07
Remeasurement gain/(loss) on defined benefit plans, net of tax	-	-	0.00	-	0.00
Balance at March 31, 2026	229.72	16.10	(87.28)	0.02	158.56

Gain of Rs. 0.00 Crores (Full Figures: Rs. 29,185) for the current year and loss of Rs. 0.17 Crore for the previous year on remeasurement of defined employee benefit plans (net of tax) is recognized as a part of retained earnings for the year ended March 31,2026 and March 31, 2025 respectively.

a) Securities premium

This reserve is used to record the premium on issue of shares. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

b) General Reserves

General Reserve is a free reserve available to the Company.

c) Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

For NVC & Associates LLP

Chartered Accountants

ICAI Firm Registration No. : 106971W/W101085

Sd/-
Pratik Bughani
Partner
M.No. 183338



Place : Mumbai
Date : April 23,2026

For and on behalf of the Board of Directors

Sd/-
Manoj Kumar Agarwal
DIN 11040471
Director

Sd/-
Kushal Sircar
Chief Financial Officer

Place : Kolkata
Date : April 23,2026

Sd/-
Rajalakshman R
DIN 11456554
Managing Director & CEO

Sd/-
Atreyee Mukherjee
Company Secretary
ACS No. 50621

CHLORIDE METALS LIMITED
CIN: U34300WB1998PLC181003

Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2026.

1. Corporate Information

The Company was incorporated on December 14, 1998, formerly known as Tandon Metals Limited. Chloride Metals Limited is a wholly owned subsidiary of Exide Industries Limited with effect from November 01, 2007. Pursuant to the approval of the scheme of amalgamation of Chloride Alloys India Limited, another wholly owned subsidiary, with effect from April 01, 2015, the operations of the said Chloride Alloys India Limited have been merged with those of the Company. All plants have an integrated and state-of the art smelting facility which is engaged in the process of extracting lead and lead alloys by re-melting impure lead and recycling lead scrap batteries and worn-out lead content products.

The financial statements were authorised for issue in accordance with a resolution of the Directors on April 23, 2026.

These financial statements can be amended by the board of directors till they are placed before the shareholders and also by the shareholders before their approval for adoption.

2. Statement of Compliances

The Standalone Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

3. Basis of Preparation, Accounting judgements, estimates and assumptions and Material Accounting Policy Information:

3.1. Basis of Preparation

- The financial statements have been prepared on a historical cost basis, except for the following:
 - a) certain financial assets and liabilities (including derivative instruments) are measured at fair value, and
 - b) defined benefit plans - plan assets measured at fair value.
- 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 Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.



- The financial statements are presented in INR and all values are rounded to the nearest Crores (INR 00,00,000), except otherwise stated.

3.2. Significant Accounting Judgements estimates and assumptions.

The financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements. During the year there were no Significant Judgements other than those stated hereinafter that were required to be exercised in the process of applying the entity's accounting policy and that have an impact on the amounts recognised in the Financial Statements.

Judgements

The Company's management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements, while formulating the Company's accounting policies:

a) Useful lives of property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b) Impairment of property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

c) Inventories

The Company estimates the net realisable value (NRV) of its inventories by considering estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.



d) Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

e) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

f) Leases

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 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.

g) Defined benefit plans (gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3.3. Recent pronouncements

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of



liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has made necessary disclosures. (Refer Note: 47 of the Financials Statements)

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments in its Financial Statements

3.4. Material Accounting Policy Information

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within 12 months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period; or
- There is no right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b) Property, plant and equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of 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.



- Capital Work in Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the property, plant and equipment of the project proportionately on capitalisation.
- Borrowing costs on Property, Plant and Equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met. The Company considers a qualifying asset eligible for capitalisation of borrowing costs when it takes a substantial period of time being a period of not less than 12 months for completion. Borrowing costs related to the CWIP are carried in CWIP to be apportioned.
- An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- The residual values and useful lives of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.
- In respect of land under lease, the committed lease liabilities are accounted at the net present value and added to the carrying value of the Land under lease on initial recognition and the liability included as lease liabilities of land.

c) Intangible assets

- Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.
- Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.
- Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

d) Assets classified as held for sale.

- Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Assets are not depreciated or amortized while they are classified as held for sale. Assets classified as held for sale are presented separately from the other assets in the balance sheet.

e) Depreciation methods estimated useful lives and residual value.

- Depreciation is calculated on a straight-line basis to expense the cost less residual value over the estimated useful lives of the assets as per Schedule II of the Companies Act, 2013 except in the case of



Vehicles where the useful life is considered between 6 years and 8 years as against 8 years mentioned in Schedule II. The range of useful life of vehicle is based on the technical evaluation and its usage in the operations of the Company.

- Amortisation of Intangible assets are done on the basis of the period over which the economic benefits are expected to be realised. The following are the estimates of the period over which the economic benefits are expected.

- Software – 5 Years

f) Borrowing costs

- 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 the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.
- Borrowing costs includes the discounts on factoring and bill discounting arrangements.

g) Inventories

Items of inventories are valued lower of cost and estimated net realisable value as given below.

- **Raw materials, Chemical and Fluxes, Stores and Spares and fuels:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average.

However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- **Finished Goods & Work in Progress:** cost includes cost of direct materials and labour, and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of direct material is determined on moving weighted average.

h) Cash and cash equivalents.

- Cash and cash equivalents comprise cash on hand and demand deposits with banks, which are short-term, highly liquid investments, with original maturities of three months or less, that are readily convertible into known amounts of cash, and which are subject to insignificant risk of changes in value.

i) Foreign Currency Translation.

- The functional currency and presentation currency of the Company is Indian Rupee.
- Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction where the settlement of such transactions are taking place later. The exchange gain/loss on settlement / negotiation during the year is recognised in the Statement of Profit and Loss. In case of advance payment for purchase of assets/ goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received
- Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.



Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the Statement of Profit and Loss.

j) Provisions, Contingent Liabilities and Contingent Assets

- **Provisions:** The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates. Long term provisions are fair valued to the net present value and the same are increased each year by providing for the finance portion at the EIR of the respective company.
- **Contingent liabilities:** Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.
- **Contingent Assets:** A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

k) Fair Value Measurement

- The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
 - In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
 - Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
 - Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
 - Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



- For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
- For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

l) Financial assets

• Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

• Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss) or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at Fair Value through Other Comprehensive Income unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.



All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

- **Derecognition of financial instruments**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The factoring arrangement being undertaken by the Company in respect of factoring its trade receivables with no re-course to the Company in case of default results in derecognition of the financial asset and the related factoring cost is disclosed in finance cost.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

- **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the financial assets measured at amortized cost.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables, and all lease receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk



has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

m) Financial liabilities

- **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

- **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

- **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a



new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

n) Offsetting of financial instruments

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

o) Investments

• **Investment in Associates**

Investments in associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

• **Other Investment**

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis. Equity investments at FVTOCI are subsequently measured at fair value through OCI. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Investments other than the above are classified as FVTPL and are subsequently measured at fair value. The net gains and losses, including any dividend income, are recognised in profit or loss.

p) Revenue Recognition

• **Sale of Goods and Services**

The Company earns revenue primarily from sale of lead and lead alloys. At contract inception, Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products or services to customers at an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products or services. Generally, the Company does not have multiple performance obligation requiring judgements and estimations of the allocation of the transaction price to the different performance obligation. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products and rendering of certain services revenue is recognised at a point in time when the performance obligation is satisfied, and the customer obtains the control of goods or services. There are no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

The Company recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.



- **Other Operating Income / Other Income**

- i. Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability. In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. Since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.
- ii. Revenue in respect of Insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- iii. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

q) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions have been complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

r) Employee benefits

All employee benefits payable wholly within twelve months rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

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

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.



Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements Net interest expense or income and Long-term employee benefits.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The current and non-current bifurcation is done as per Actuarial report.

Compensated absences : which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits : Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value. Termination benefits are recognized as an expense in the period in which they are incurred.

s) Taxes

Tax expenses comprise Current Tax and Deferred Tax

i. Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. 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.

ii. Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the financial statement for financial reporting purposes at the reporting date.

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



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred Tax Asset on unabsorbed depreciation and tax losses are created only when there is a reasonable certainty of generating profits in the future period during which the loss is permitted to be set off.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

t) Leases

The Company's lease asset classes primarily consist of land under lease and plant and equipment necessary for the purposes of its manufacturing operations. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration in accordance with the principles enumerated in INDAS 116.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily



determinable, using the incremental borrowing rates in the country. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

u) Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v) Trade Payables & Trade Receivables.

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction values and subsequently measured at amortised cost using the EIR method (if there is a financing element), less provision for expected or lifetime credit loss.

w) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.



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 Standalone Financial Statements for the year ended March 31, 2026
 (All amounts in Indian Rupees in Crores unless otherwise stated)

4 Property, plant and equipment

a Details of additions, adjustments, depreciation and net block - Asset class wise for the year ended March 31, 2026

Particulars	Tangible assets										Intangible Assets	
	Freshhold Land	Land Under Lease	Buildings	Plant & Equipment	ROU - Plant & Equipment	Furniture, Fixtures & Fittings	Office Equipments	Vehicles	Computers	Total	Computer Software	
Cost												
As at April 1, 2024	8.14	103.33	109.73	250.16	30.15	1.76	2.43	2.23	2.42	510.35	0.25	
Additions	-	-	9.79	73.79	43.64	0.07	0.35	-	0.25	127.89	0.02	
Reversal from Asset held for sale	-	-	-	0.13	(2.11)	0.14	0.02	-	-	0.29	-	
Disposals	-	-	-	-	-	-	-	-	-	(2.11)	-	
As at March 31, 2025	8.14	103.33	119.52	324.08	71.68	1.97	2.80	2.23	2.67	636.42	0.27	
Additions	-	-	1.73	6.50	-	0.17	0.17	-	0.84	9.79	0.14	
Reversal from Asset held for sale	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	(0.76)	(0.17)	(8.81)	-	(0.00)	(0.13)	(0.03)	(0.18)	(10.08)	-	
As at March 31, 2026	8.14	102.57	121.06	322.17	71.68	2.14	2.84	2.20	3.33	636.73	0.41	
Depreciation												
As at April 1, 2024	-	4.69	8.52	55.44	5.26	0.30	0.58	0.67	0.96	76.42	0.11	
Charge for the year	-	1.13	3.98	35.37	3.00	0.17	0.48	0.32	0.39	44.84	0.04	
Reversal from Asset held for sale	-	-	-	0.12	-	0.12	0.01	-	-	0.25	-	
Disposals	-	-	-	-	(1.83)	-	-	-	-	(1.83)	-	
As at March 31, 2025	-	5.82	12.50	90.93	6.43	0.59	1.07	0.99	1.35	119.68	0.15	
Charge for the year	-	1.12	4.28	39.16	3.60	0.18	0.53	0.30	0.41	49.58	0.05	
Reversal from Asset held for sale	-	-	-	-	-	-	-	-	-	-	-	
Disposals	-	-	(0.10)	(8.36)	-	(0.00)	(0.12)	(0.02)	(0.17)	(8.77)	-	
As at March 31, 2026	-	6.94	16.68	121.73	10.03	0.77	1.48	1.27	1.59	160.49	0.21	
Net Block												
As at March 31, 2025	8.14	97.51	107.02	233.15	65.25	1.38	1.73	1.24	1.32	516.74	0.12	
As at March 31, 2026	8.14	95.63	104.38	200.44	61.65	1.37	1.36	0.93	1.74	475.65	0.20	

b Capital work in Progress

Particulars	Opening Balance	Addition during the year	Capitalized during the year	Closing balance
Capital work in Progress	3.22	8.65	9.79	2.08
(Previous year)	(3.62)	(53.86)	(84.25)	(3.22)

Capital work in Progress consists of

Particulars	March 31, 2026	March 31, 2025
Building	0.39	-
Plant and Machinery	2.08	2.83
Total	2.08	3.22



Particulars	As at March 31, 2026		As at March 31, 2025	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	2.08	-	2.08	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	2.08	-	2.08	-

Projects in progress consists of plant and equipment which are under installation initiated during the year which is nearing completion and is expected to be capitalized in FY 2026-27.
 d Completion schedule in respect of Capital-Work-in-Progress (CWIP) as on March 31, 2026, whose completion is overdue or has exceeded its cost compared to its original plan is as under :-

Particulars	As at March 31, 2026		As at March 31, 2025	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	0.50	-	0.50	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	0.50	-	0.50	-

Project in progress which has exceeded the period and cost includes plant and equipments initiated during the year which is in nearing completion and expected to be capitalized in FY 2026-27.
 i) The Company has carried out the exercise of assessment of any indication of impairment to its property plant and equipment as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no indicators of impairment to its property, plant and equipment as at balance sheet date.

ii) There are no changes proposed to the previously assessed residual useful life of the assets.

e Right of Use

The following is the break-up of current and non-current lease liabilities as at March 31, 2026 other than land under lease

Particulars	As at		As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Current lease liability	7.29	7.19	-	-
Non-current lease liability	62.29	64.58	-	-
Total	64.58	66.76	-	-

The following is the movement in lease liabilities during the year ended March 31, 2026 other than land under lease

Particulars	As at		As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Balance at the beginning	66.76	25.98	43.28	(0.34)
Addition	-	-	5.11	(5.83)
Disposal	-	-	(7.29)	(0.24)
Interest on lease liabilities	-	-	64.58	66.76
Payment of lease liabilities	-	-	-	-
Remeasurement during the year	-	-	-	-
Total	66.76	66.76	66.76	66.76

The table below provides details regarding the contractual maturities of lease liabilities as at Balance sheet date on undiscounted basis for lease arrangements other than land under lease:

Particulars	As at		As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Upto one year	7.23	7.29	28.69	96.74
Two to five years	89.88	89.88	125.43	132.72
More than five year	-	-	-	-
Total	125.43	132.72	125.43	132.72

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



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Particulars	As at		As at	
	No. of Shares	March 31, 2026	No. of Shares	March 31, 2025
5 Investments - Unquoted				
A Investment in Equity Shares - Associate (At Cost)				
(i) Zillica Renewables Private Limited (FV Rs. 10 each)	2,20,000	1.76	2,20,000	1.76
B Investment in Class A Equity Shares - Others (Carried at Fair Value through Other Comprehensive Income)*				
(i) Isharays Energy One Private Limited (FV Rs. 10 each)	9,68,000	0.99	9,68,000	0.92
		2.75		2.68

(*) These equity shares have differential dividend rights and are entitled to fixed rate of dividend @ 0.001% of face value per annum.

I Disclosure u/s 186 of The Companies Act, 2013

Name of the Company	March 31, 2026	March 31, 2025	Purpose of Investment
1 Zillica Renewables Private Limited	-	1.49	Business Interest

II Utilisation of Borrowed funds and share premium:

The Company has received funds in the FY 2023-2024 from Holding Company with the understanding that the Company shall directly or indirectly invest in other entities identified in any manner whatsoever by or on behalf of the Holding Company, the details of which is tabulated hereunder;

March 31, 2025:

Nature of Transaction	Name of the Funding Party & Relationship	Amount & Date	Name of the Investee Company & Relationship	Amount & Date
Investment In Associate	Exide Industries Limited (Holding Company)	Rs. 1.49 crores in March 2024	Zillica Renewables Private Limited (Associate)	Rs. 1.49 crores in May 2024

6 Other Non-Current Financial Assets (at amortized cost)

Security deposits - Unsecured, considered good	As at	As at
	March 31, 2026	March 31, 2025
	3.65	3.19
	3.65	3.19

7 Other non-current assets

(i) Unsecured, considered good	As at	As at
	March 31, 2026	March 31, 2025
a) Prepaid expenses	0.90	0.07
b) Prepaid taxes (net of provisions)	19.68	20.32
c) Deposit against appeal	0.39	0.29
d) Capital advances	7.26	-
	28.23	20.68

8 Inventories

(At lower of cost and net realizable value)

	As at	As at
	March 31, 2026	March 31, 2025
a) Raw materials		
- In hand	64.35	268.29
- In transit	15.54	41.74
b) Work-in-progress	37.53	145.39
c) Finished goods		
- In hand	95.89	118.05
- In transit	0.16	-
d) Chemicals & fluxes	2.37	2.45
e) Stores and spares and fuels	10.33	10.55
	226.17	586.47

The disclosure of inventories recognized as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
(i) Amount of inventories recognized as an expense during the year including Stores and Spares and Chemical and Fluxes during the year	5,674.58	5,416.97
(ii) Amount of write - down of inventories recognized as an expense during the year.	3.68	8.20
	5,678.26	5,425.17



9 Trade receivables (unsecured, at amortized cost)
Trade receivable - Considered good
Trade receivable - Significant increase in credit risk (#)
Trade receivable - Credit Impaired
Less : Provision for expected credit loss

	As at March 31, 2026	As at March 31, 2025
	482.99	315.55
	0.00	0.09
	0.08	-
	483.07	315.64
	0.08	0.09
	482.99	315.55

(#) Full Figure : Rs.6,230

(a) Trade Receivable Ageing Schedule
(Ageing from due date of payment)
As at March 31, 2026

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	481.90	-	-	481.90
less than 6 months	0.88	-	-	0.88
6 months - 1 year	0.15	0.00	-	0.15
1-2 year	0.03	-	-	0.03
2-3 year	0.03	-	-	0.03
> 3 years	-	-	-	-
Total	482.99	0.00	-	482.99

As at March 31, 2026

Range of O/s period	Disputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	0.08	0.08
Total	-	-	0.08	0.08

As at March 31, 2025

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	312.10	-	-	312.10
less than 6 months	2.85	-	-	2.85
6 months - 1 year	0.50	-	-	0.50
1-2 year	0.10	-	-	0.10
2-3 year	0.00	-	-	0.00
> 3 years	-	-	-	-
Total	315.55	-	-	315.55

As at March 31, 2025

Range of O/s period	Disputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	0.09	-	0.09
Total	-	0.09	-	0.09



(b) Expected credit loss

The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents expected credit loss. In view thereof, the additional disclosures for changes in credit risk and credit impaired are not disclosed.

- (c) Since the primary customer is the holding company the credit risk is remote considering the net worth and financial position of the Holding Company. Further, in the absence of any bad debts from the holding company in the past the expected credit loss is zero and the Company is not making any provisions on account of any expected credit loss even under the simplified method in respect of trade receivables of the Holding Company. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, where considered appropriate by the management.

(d) Movement in the expected credit loss allowance	As at	As at
	March 31, 2026	March 31, 2025
Particulars		
Balance at the beginning of the year	0.09	0.10
Reversal during the year	0.01	0.01
Addition during the year	-	-
Provision at the end of the year	0.08	0.09

10 Cash and cash equivalents

- a) Balances with banks
b) Cash on hand (#)

(#) Full Figure : Rs. 28,823

	As at	As at
	March 31, 2026	March 31, 2025
	6.75	3.32
	0.00	0.01
	6.75	3.33

11 Other current financial assets

- (i) Unsecured, considered good
a) Rebates and Discounts Receivables
b) Security Deposit
c) Insurance Claim Receivable

	As at	As at
	March 31, 2026	March 31, 2025
	10.32	2.74
	0.06	0.02
	0.08	0.18
	10.46	2.94

12 Other current assets

- (i) Unsecured, considered good
a) Prepaid expenses
b) Balances with tax authorities
c) Advance to suppliers
d) Advance to staff
e) Unbilled revenue - Contract assets
f) Export benefit entitlement receivable
g) Indirect taxes recoverable
h) Government Grant Receivable (Refer Note 27(a))
i) Other receivables

	As at	As at
	March 31, 2026	March 31, 2025
	0.60	0.59
	1.85	67.97
	19.65	50.52
	0.07	0.06
	6.92	4.44
	8.75	11.24
	3.12	4.17
	41.23	24.94
	0.07	1.50
	82.26	165.43

13 Non-Current Asset Held for Sale

- a) Freehold Land
b) Buildings
c) Plant & Equipment
d) Other Assets

	March 31, 2026	March 31, 2025
	-	5.90
	-	5.53
	-	5.00
	-	0.70
	-	17.13

Non-Current Assets Held for Sale represents assets belonging to a manufacturing facility of the Company at Markal, where the Operations have been stopped and relocated to another plant. During the current year the Company has entered into Sale deed and the assets held for sale have been transferred.

14 Share Capital

- a) Authorized
8,00,00,000 (P.Y. 8,00,00,000) equity shares of Rs. 10 each
b) Issued, subscribed & fully paid-up
7,35,84,440 (P.Y. 7,35,84,440) equity shares of Rs. 10 each
c) The Company is a wholly owned subsidiary of Exide Industries Limited, a company listed on the stock exchanges at BSE and NSE.

	As at	As at
	March 31, 2026	March 31, 2025
	80.00	80.00
	73.58	73.58



d) Details of shareholding in excess of 5%

Particulars	As at	As at
	March 31, 2026	March 31, 2025
	Number of shares held	Number of shares held
Exide Industries Limited - Holding Company	7,35,84,440	7,35,84,440
% of Holding	100%	100%

As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of the shares.

e) Reconciliation of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	(Rs. In Crore)	Number	(Rs. In Crore)
At the beginning of the year	7,35,84,440	73.58	7,35,84,440	73.58
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,35,84,440	73.58	7,35,84,440	73.58

f) Shares held by promoters

(a) Shares held by promoters as at March 31, 2026

Promoter Name	Shares held by Promoters				% of change during the year
	As at March 31, 2026		As at March 31, 2025		
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Exide Industries Limited - Holding Company	7,35,84,440	100.00%	7,35,84,440	100.00%	-
Total	7,35,84,440	100.00%	7,35,84,440	100.00%	-

(b) Shares held by promoters as at March 31, 2025

Promoter Name	Shares held by Promoters				% of change during the year
	As at March 31, 2025		As at March 31, 2024		
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Exide Industries Limited - Holding Company	7,35,84,440	100.00%	7,35,84,440	100.00%	-
Total	7,35,84,440	100.00%	7,35,84,440	100.00%	-

g) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

15 Other equity

	As at	As at
	March 31, 2026	March 31, 2025
a) Securities premium	229.72	229.72
b) General reserve	16.10	16.10
c) Other Comprehensive Income	0.02	-
d) Retained earnings	(87.28)	(73.35)
	158.56	172.47

Non-current liabilities

16 Long Term Borrowings

Secured

	As at	As at
	March 31, 2026	March 31, 2025
Term loan - 1 - Axis Bank	-	3.63
Term loan - 2 - HDFC Bank	32.00	48.00
Term loan - 3 - HDFC Bank	20.34	26.15
Less : Current maturities	21.80	25.44
	30.54	52.34

Term Loan - 1

a) The above term loan is secured by :

- Exclusive charge (security interest) on the entire assets, both movable (excluding current assets) and immovable of Haldia Unit.
- Exclusive mortgage of all that piece and parcel of leasehold land measuring an area of approximately 21.15 Acre lying and situated at under Mouza- Basudevapur & Kashbere.

b) Repayment and interest rate :

The loan is repayable in 12 quarterly installments after moratorium period of 2 years from the date of first disbursement. The amount of repayment is determined as a percentage of original loan amount ranging from 8.32% to 8.34% of the loan in respect of each instalment. The interest rate is to be reset at 12 months intervals. Interest rate is calculated at 12 month MCLR payable at monthly intervals.

The loan balance has been fully repaid by May 2025.



Term Loan - 2

a) The above term loan is secured by:

Exclusive charge by way of hypothecation on all the Plant & Machinery both present and future consisting of all movable fixed assets, being movable properties, now stored at or being stored or which may hereafter be brought into or stored at or at present installed at Supa Plant. Exclusive charge by way of hypothecation on the whole of the Security provider's movable assets including its movable plant & machinery, machinery spares, tools and accessories and other movables situated at Supa Plant.

Exclusive charge by way of equitable mortgage of the security providers immovable property that is all that consisting of Plot no F-219 adm 63,088 sq mtrs in Supa-Parner Industrial Park alongwith proposed construction situated at Village Palve (Kh)Tal. Pamer Dist Ahmednagar

b) Repayment and interest rate:

The loan is repayable in 6 years after moratorium period of 1 years from the date of first disbursement. After moratorium, 2nd year repayment will be 11 Crores to be paid in 4 quarterly installments. Subsequent repayments of balance amount is to be made in 16 equal quarterly installments. The interest rate is linked to prevailing 3 month T Bill + Fixed Spread determined on loan disbursal date. Reset of interest will happen 3 months @ prevailing 3 month T bill + fixed spread determined on loan disbursal date.

The repayment schedule would be as under:

Quarter - Year	Quarterly Installment
Feb 28 - Q20	4.00
Nov 27 - Q19	4.00
Aug 27 - Q18	4.00
May 27 - Q17	4.00
Feb 27 - Q16	4.00
Nov 26 - Q15	4.00
Aug 26 - Q14	4.00
May 26 - Q13	4.00
Total	32.00

Term Loan - 3

a) The above term loan is secured by:

Exclusive charge by way of hypothecation on 1) All the plant and machinery both present and future consisting of all movable properties installed at Supa Plant. 2) The whole of the Security Providers movable properties including its movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future situated at Supa Plant.

b) Repayment and interest rate:

The loan is repayable in 6 years after moratorium period of 1 years from the date of first disbursement. After moratorium, 2nd year repayment will be in 20 equal quarterly installments. The interest rate is @ 8.60% p.a. linked to prevailing 1 month T Bill + Fixed Spread determined on loan disbursal date.

The repayment schedule would be as under

Quarter - Year	Quarterly Installment
Aug 29 - Q13	1.46
May 29 - Q12	1.46
Feb 29 - Q11	1.46
Nov 28 - Q10	1.46
Aug 28 - Q13	1.45
May 28 - Q12	1.45
Feb 28 - Q11	1.45
Nov 27 - Q10	1.45
Aug 27 - Q13	1.45
May 27 - Q12	1.45
Feb 27 - Q11	1.45
Nov 26 - Q10	1.45
Aug 26 - Q9	1.45
May 26 - Q8	1.45
Total	20.34

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Repayment within one year from the end of the financial year	21.80	25.44
Repayment beyond one year to five years from the end of the financial year	30.54	52.34
Repayment beyond five years from the end of the financial year	-	-
	52.34	77.78

c) Utilization of Borrowings taken from Bank and Financial Institution

During the year, the company has not obtained any term loans or fresh disbursement against existing sanctioned term loans.

d) Registration of charges or satisfaction with Registrar of Companies

Registration of Charge

As at March 31, 2026, the Company has registered all charges duly with the Registrar of Companies in favor of the lenders.

Satisfaction of Charge

There are charges disclosed as outstanding of Rs. 18.58 Crores as at March 31, 2026 (PY Rs. 18.58 Crores as at March 31, 2025) in respect of borrowings which have been repaid long back. The Company is unable to clear the satisfaction for lack of requisite documentation from the lenders. The matter is being followed up by the Company.



d) Reconciliation of cash flows from financing activities as per Ind AS 7 :-

Particulars	Lease liability	Interest	Long term borrowings	Short term borrowings
Balance as on April 1, 2024	32.63	4.79	65.40	458.78
Interest accrued	4.47	88.24	-	-
Addition during the year	43.28	-	10.78	223.80
Changes from financing cash flows (*)	(6.16)	(86.10)	(35.55)	(100.00)
Remeasurement of lease arrangement	(0.34)	-	-	-
Non cash changes	(0.24)	-	11.71	(11.71)
Exchange (Gain)/loss on restatement	-	-	-	(1.47)
Closing balance as on March 31, 2025	73.63	6.93	52.34	569.41
Interest accrued	5.59	64.06	-	-
Addition during the year	-	-	-	-
Changes from financing cash flows (*)	(7.60)	(69.40)	(25.44)	(442.19)
Remeasurement of lease arrangement	(0.76)	-	-	-
Non cash changes	-	-	3.64	(3.64)
Exchange (Gain)/loss on restatement	-	-	-	4.99
Closing balance as on March 31, 2026	70.86	1.59	30.54	128.57

(*) Includes payment of Current Maturities of Long Term Borrowings.

17 Lease liability

Lease liability of land - Non current
Lease liability of ROU - Non current

	As at March 31, 2026	As at March 31, 2025
	6.25	6.59
	62.29	64.58
	68.54	71.17

18 Provisions (Non Current)

a) Provision for employee benefits
Gratuity
Compensated Absences

	As at March 31, 2026	As at March 31, 2025
	2.77	2.76
	1.01	1.07
	3.78	3.83

19 Deferred tax (Asset)/liabilities (net)

a) Deferred tax liability:
Arising out of temporary difference in depreciable assets
Lease liabilities

b) Deferred tax assets:
Lease liabilities
Tax disallowances
Expected credit loss
Unabsorbed losses
Net deferred tax liability/(asset)

	As at March 31, 2026	As at March 31, 2025
	19.12	16.84
	-	-
	(1.20)	(0.78)
	(1.11)	(1.13)
	(0.02)	(0.02)
	(19.57)	(19.57)
	(2.78)	(4.66)

The Company has created deferred tax asset on unabsorbed tax losses on the basis of its projections of future taxable profits arising out of its new projects and expansion plans set up during the earlier years. The total deferred tax asset recognized on unabsorbed losses upto the year ended March 31, 2024 is Rs. 19.57 Crores. No further deferred tax on tax losses has been created since then on a prudent basis. The Company is continuously improving its EBIDTA. Further DTA will be created once the Company has positive Profit Before Tax.

The additional deferred tax asset available for credit on estimated unabsorbed tax losses since March 2024 of Rs.91.74 crores is Rs.23.09 crores. This tax loss can be adjusted against taxable profits in the succeeding eight assessment years starting from the year of the loss.

Current liabilities

20 Short Term Borrowings

Secured

Foreign Currency Loan from DBS Bank (*)
Foreign Currency Loan from Axis Bank (*)
Foreign Currency Loan from ICICI Bank (*)
Foreign Currency Loan from HDFC Bank (**)
Current maturities of long term borrowings

	As at March 31, 2026	As at March 31, 2025
	-	11.04
	25.02	247.16
	81.75	239.69
	-	46.08
	21.80	25.44
	128.57	569.41

(*) Secured by first pari passu charge on the current assets of the Company (both present and future)

(**) Secured by first pari passu charge on entire stocks and book debts of the Company (both present and future)



Borrowings from banks or financial institutions on the basis of security of current assets

The Company had borrowings during the year from banks on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company, the disclosure w.r.t documents submitted to lenders is tabulated in Statement 1.

	As at	As at
	March 31, 2026	March 31, 2025
21 Lease liability		
Lease liability of land - Current	0.03	0.27
Lease liability of ROU - Current	2.29	2.19
	2.32	2.46

	As at	As at
	March 31, 2026	March 31, 2025
22 Current trade payables		
a) Trade payables		
Total outstanding dues of micro and small enterprises	11.19	19.06
Total outstanding dues of creditors other than micro and small enterprises	819.93	640.31
	831.12	659.37

	As at	As at
	March 31, 2026	March 31, 2025
Details of dues to micro and small enterprises as defined under MSMED Act, 2006		
Principal amount due other than capital creditors	11.19	19.06
Principal amount due to capital creditors	0.49	-
Interest due on above	0.09	0.01
the amounts of the payment made to the supplier beyond the appointed day during each accounting year	5.17	0.24
Amount of interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprises	-	-
Amount of interest due and payable for the period of delay	0.09	0.01
Amount of interest accrued and remaining unpaid as at year end	0.19	0.10
Amount of further interest remaining due and payable in the succeeding year	-	-
The Company has compiled the above information based on written confirmations from suppliers and have been determined to the extent such parties have been identified on the basis of the information available with the company.		

Trade Payable Ageing Schedule
(Ageing from due date of payment)

(a) As at March 31, 2026

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	36.72	-
Not Due	10.73	-	781.50	-
Less than 1 year	0.46	-	0.98	-
1-2 years	-	-	0.40	-
2-3 year	-	-	0.29	-
> 3 years	-	-	0.06	-
Total	11.19	-	819.95	-

(b) As at March 31, 2025

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	72.77	-
Not Due	19.05	-	442.58	-
Less than 1 year	0.00	-	124.45	-
1-2 years	0.01	-	0.44	-
2-3 year	-	-	0.03	-
> 3 years	-	-	0.04	-
Total	19.06	-	640.31	-

	As at	As at
	March 31, 2026	March 31, 2025
23 Other financial liabilities		
Security deposits received	2.44	5.64
Capital Creditors	2.25	3.88
Employee dues	7.20	5.12
Interest accrued	1.59	6.93
Other Payable	-	-
	13.48	21.57

	As at	As at
	March 31, 2026	March 31, 2025
24 Other current liabilities		
Advance from customers - Contract liability	0.25	0.03
Duties, taxes and other statutory dues payable	12.25	3.12
Export benefit entitlement payable	-	6.00
	12.50	9.15



25 Provisions (Current)

Provision for employee benefits
 Gratuity
 Compensated Absences

Others

Provision for tax (net of prepaid)
 Provision for sales return

	As at March 31, 2026	As at March 31, 2025
Gratuity	0.42	0.24
Compensated Absences	0.11	0.06
Provision for tax (net of prepaid)	0.34	0.34
Provision for sales return	0.11	0.14
	0.98	0.78

Particulars	Opening Balance	Additions during the year	Amt. Paid/ Reversed during the year	(Rs. In Crores)
				Closing Balance
Provision for sales return	0.14	-	(0.03)	0.11
(Previous year)	0.10	0.04	-	0.14

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	2025-2026	2024-2025
26 Revenue from operations		
Revenue from operations		
Sale of products	5,932.15	5,669.41
Sale of services	87.15	61.83
Other operating revenue		
Sale of scrap	16.64	8.39
Export Incentive	0.22	0.06
	6,036.16	5,739.69

Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

a. Revenue disaggregation based on :

(a) Category of good and services

Lead Alloy
Job work and Product Services

	2025-2026	2024-2025
Lead Alloy	5,932.15	5,669.41
Job work and Product Services	87.15	61.83
	6,019.30	5,731.24

(b) Geographical region

India
International

	2025-2026	2024-2025
India	5,989.45	5,718.10
International	29.85	13.14
	6,019.30	5,731.24

b. Major customers - Approximately 95.91% (P.Y. 96.60%) of total revenue of the Company is from the Holding Company.

c. For sale of products and rendering of certain services, Company has recognized revenue based on point of time and its receivables are rights to consideration that are unconditional.

d. Changes in Contract Assets are as follows :

Balance at the beginning of the year
Invoices raised during the year
Revenue recognized during the year
Balance at the end of the year

	2025-2026	2024-2025
Balance at the beginning of the year	4.44	4.12
Invoices raised during the year	(4.44)	(4.12)
Revenue recognized during the year	6.92	4.44
Balance at the end of the year	6.92	4.44

e. Changes in Contract liabilities are as follows :

Balance at the beginning of the year
Revenue recognized during the year
Fresh receipts during the year for unsatisfied performance obligation
Balance at the end of the year

	2025-2026	2024-2025
Balance at the beginning of the year	0.03	0.34
Revenue recognized during the year	(0.03)	(0.34)
Fresh receipts during the year for unsatisfied performance obligation	0.25	0.03
Balance at the end of the year	0.25	0.03

f. The entire unsatisfied performance obligation will be fulfilled in the succeeding year

27 Other income

Interest income
Interest accounted on EIR basis
Incentive income in the form of Government Grant (refer note (a) below)
Other Income - Profit on Sale of Assets (Net)
Foreign exchange gain (net of loss)
Remeasurement Gain on Lease arrangement
Sundry Balances Written Back(#)
Other Miscellaneous Income
Reversal of Provision for expected credit loss
Interest income on Income tax refund

	2025-2026	2024-2025
Interest income	0.27	0.08
Interest accounted on EIR basis	0.07	0.06
Incentive income in the form of Government Grant (refer note (a) below)	16.29	24.94
Other Income - Profit on Sale of Assets (Net)	0.22	-
Foreign exchange gain (net of loss)	(6.11)	5.26
Remeasurement Gain on Lease arrangement	-	0.06
Sundry Balances Written Back(#)	0.00	0.04
Other Miscellaneous Income	0.04	-
Reversal of Provision for expected credit loss	0.01	0.01
Interest income on Income tax refund	-	0.85
	10.79	31.30

(#) Full Figures : Rs. 16,656

(a) The Company has received an eligibility certificate dated January 22,2025 under Package Scheme of Incentives -2019 issued by the Directorates of Industry Government of Maharashtra vide which the Company is eligible for Industrial promotion Subsidy (IPS) of Rs 114.04 crores to be claimed over a period of 7 years commencing from September 01,2023. In accordance with the provision of the Eligibility certificate the company is entitled to incentive of Rs. 16.29 crores p.a. and accordingly has recognised amount of Rs 16.29 crores being IPS benefit for the year 2025-2026 as other income.

The Grant is subject to submission of GST certification of Annual Returns (GSTR-9 and GSTR-9C). Further, in the event of any reduction of SGST liability for any reasons whatsoever the Company will have to repay the excess amount disbursed along with interest @15% per annum or such other rate as maybe determined by the implementing agency.

The total amount of receivable on this account is Rs. 41.23 crores and the same is good and receivable. The management believes that there is no risk of recovery as the same is due from Government of Maharashtra.



	2025-2026	2024-2025
28 Cost of raw material and components consumed		
Inventory at the beginning of the year	310.03	206.21
Add : Purchases	5,227.91	5,475.61
	5,537.94	5,681.82
Less : Inventory at the end of the year	79.89	310.03
	5,458.05	5,371.79
29 (Increase) / decrease in inventories of finished goods and work-in - progress		
WIP Inventory at the beginning of the year	145.39	172.94
WIP Inventory at the end of the year	(37.53)	(145.39)
	118.05	60.68
FG Inventory at the beginning of the year	(96.04)	(118.05)
	129.87	(29.82)

The inventory cost of finished goods & WIP during the year includes write down of Rs. 3.68 Crores (Previous year Rs. 8.20 Crores) respectively.

	2025-2026	2024-2025
30 Employee benefits expense		
Salaries, wages and bonus	71.90	70.46
Contribution to provident and other funds	1.51	1.52
Staff welfare expenses	4.80	4.04
	78.21	76.02

	2025-2026	2024-2025
31 Finance costs		
Interest on borrowings	26.05	44.10
Interest on factoring on trade receivable	37.93	43.45
Interest on Inter Corporate Deposit (Related Party)(*)	-	0.69
Interest on MSME	0.09	0.01
Interest on indirect taxes	-	0.02
Other Interest Charges	0.05	-
Interest on lease liability	5.59	4.47
	69.71	92.74

(*) The Company had taken Inter Corporate Deposit from Exide Industries Limited (Holding Company) @ 7.65% p.a.

	2025-2026	2024-2025
32 Depreciation and amortization expense		
Depreciation	45.89	41.84
Amortization of intangible asset	0.06	0.04
Depreciation on ROU Assets	3.69	3.00
	49.64	44.88

	2025-2026	2024-2025
33 Other expenses		
Consumption of Stores and Spares	33.53	33.26
Consumption of Chemical and Fluxes	56.81	49.94
Consumption of Power and fuel	121.91	127.45
Hire charges	6.32	5.03
Watch & ward expenses	2.58	2.75
Waste management expenses	19.45	14.58
Remuneration to Auditors		
- Audit fees included limited review	0.27	0.27
- Tax audit including transfer pricing	0.04	0.04
- Other services including Certification	0.01	0.01
- Out of pocket expenses	0.02	0.04
Bank charges	1.56	3.05
Sundry Balances Written Off	-	0.00
Provision for Doubtful Recoverables	-	0.16
Property, Plant and Equipment Written off	0.09	-
Freight outward	20.04	18.77
Repairs and maintenance		
- Machinery	9.33	9.51
- Building	0.84	0.58
- Others	3.03	1.61
Rent	0.07	0.06
Rates and taxes	0.49	0.40
Director's Sitting fee	0.01	0.01



	2025-2026	2024-2025
Insurance	1.17	0.95
Communication	0.21	0.21
Travel and conveyance	0.60	0.85
Printing and stationery	0.18	0.25
Professional and consultancy charges	8.11	15.98
Vehicle upkeep	0.21	0.59
Miscellaneous expenses	0.64	0.26
Total	287.52	286.61

Break-up of miscellaneous expenses

Guest house maintenance	0.07	0.11
Membership and subscriptions	0.05	0.06
General expenses	0.52	0.09
	0.64	0.26

34 Exceptional Items

	2025-2026	2024-2025
Profit on transfer of Non Current Asset held for Sale	13.89	-
	13.89	-

35 Tax expenses

Reconciliation of statutory rate of tax and effective rate of tax

	2025-2026 (Rs. in Crores)	2024-2025 (Rs. in Crores)
Current taxes	-	-
Short/ (excess) provision of income tax	(0.06)	-
Deferred tax	1.88	2.34
	1.82	2.34
Current taxes		
Accounting profit/(loss) before income tax	(12.16)	(71.23)
At India's statutory income tax rate	25.17%	25.17%
Tax on long term capital gain	14.30%	23.30%
Tax on profit / (loss)	(3.06)	(17.93)
Effect of non deductible expense	14.51	12.61
Effect of deductible expenses	(15.94)	(14.69)
Effect of Long Term Capital Gain	0.59	-
Effect of carry forward losses	3.91	20.01
Others	-	-
	-	-
Short / excess provision of earlier years	(0.06)	-

Deferred tax assets/(liabilities) in relation to:-

Particulars	Opening	Recognized in profit and loss	Recognized in Other Comprehensive Income	Closing
Property, Plant and Equipment	(14.50)	(2.34)	-	(16.84)
Employee benefits	0.77	0.15	-	0.92
Remeasurement gain/(loss) on defined benefit plans	0.16	-	0.06	0.22
Expected credit loss	0.02	(0.00)	-	0.02
Unabsorbed losses	19.79	(0.23)	-	19.56
Lease rent	0.71	0.07	-	0.78
As at March 31, 2025	6.95	(2.34)	0.06	4.66
Property, Plant and Equipment	(16.84)	(2.28)	-	(19.12)
Employee benefits	0.92	(0.02)	-	0.90
Remeasurement gain/(loss) on defined benefit plans	0.22	-	(0.00)	0.22
Expected credit loss	0.02	(0.00)	-	0.02
Unabsorbed losses	19.56	0.00	-	19.56
Lease rent	0.78	0.42	-	1.20
As at March 31, 2026	4.66	(1.88)	(0.00)	2.78



36 Earnings per share

The Company has not issued any potential diluted equity shares and therefore the basic and diluted earnings per share will be the same. The earnings per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding.

Particulars	2025-2026	2024-2025
Profit / (Loss) after tax before exceptional items (Rs. in Crores)	(27.87)	(73.57)
Profit / (Loss) after tax after exceptional items (Rs. in Crores)	(13.98)	(73.57)
Total number of equity shares outstanding (Nos.)	7,35,84,440	7,35,84,440
Weighted average no. of shares outstanding (Nos.)	7,35,84,440	7,35,84,440
Nominal value of equity share (Rs.)	10.00	10.00
Basic and Diluted Earnings per share before exceptional item (Rs.)	(3.79)	(10.00)
Basic and Diluted Earnings per share after exceptional item (Rs.)	(1.90)	(10.00)

Reconciliation of weighted average no. of shares outstanding during the year

Particulars	2025-2026	2024-2025
Nominal value of equity share (Rs.)	10.00	10.00
For Basic & Diluted EPS		
Total number of equity shares outstanding at the beginning of the year (Nos.)	7,35,84,440	7,35,84,440
Add: Issue of shares (Nos.)	-	-
Weighted average number of equity shares Issued (Nos.)	-	-
Total number of equity shares outstanding at the end of year (Nos.)	7,35,84,440	7,35,84,440
Weighted average number of equity shares at the end of the year (Nos.)	7,35,84,440	7,35,84,440

37 Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

The Company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits. The total amount of gratuity determined on actuarial method is Rs. 3.19 Crores (P.Y. Rs. 3.00 Crores).

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet.

Particulars	2025-2026 (Rs. in Crores)	2024-2025 (Rs. in Crores)
Expense recognized in Statement of Profit and Loss		
Current service cost	0.36	0.34
Past service cost (*)	0.10	-
Service cost	0.46	0.34
Net interest on net defined benefit liability / asset	0.19	0.17
Less : Gratuity expenses capitalized during the year	-	-
Total	0.65	0.51
Expense recognized in Other Comprehensive Income		
Actuarial gains / (losses)	0.00	(0.23)
Net asset / liability recognized in Balance Sheet		
Present value of defined benefit obligation	3.19	3.00
Fair value of plan assets	-	-
	3.19	3.00
Change in obligation during the year		
Present value of defined benefit obligation at the beginning of the year	3.00	2.56
Current service cost	0.36	0.34
Past service cost (*)	0.10	-
Interest cost	0.19	0.17
Benefits paid	(0.46)	(0.30)
Actuarial (gains) / losses	(0.00)	0.23
Present value of defined benefit obligation at the end of the year	3.19	3.00

The principal assumptions used in determining the gratuity obligations are as follows :

Financial assumptions

Discount rate	6.90%	6.70%
Salary escalation rate	5.00%	5.00%

Demographic assumptions

Withdrawal rate	2.00%	2.00%
Mortality rate	Ind Assured Lives Mortality (2006-08) (modified) Ult	Ind Assured Lives Mortality (2006-08) (modified) Ult

Sensitivity analysis

Discount rate	2025-26	2024-25	2023-24	2022-23	2021-22
1% increase in discount rate	(0.25)	(0.24)	(0.22)	(0.18)	(0.17)
1% decrease in discount rate	0.29	0.28	0.25	0.21	0.20



Salary escalation	2025-26	2024-25	2023-24	2022-23	2021-22
1% increase in discount rate	0.29	0.28	0.25	0.21	0.20
1% decrease in discount rate	(0.26)	(0.24)	(0.22)	(0.18)	(0.17)

Risk Factors / Assumptions

Interest risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bonds yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality withdrawal , disability of retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(*) On November 21, 2025 the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost in the statement of profit and loss. The New Labour Codes has resulted in increase in provision for gratuity of the Company by Rs.0.10 crores and provision for long term compensated absences of the Company by Rs.0.08 crores.

38 Disclosure on CSR Activity

The Company is not required to spend any amount towards Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013 and hence no disclosures are made.

39 Relationship with Struck off Companies

The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company.

40 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

- Almost the entire sales and job work operations of the Company relate to only one segment viz. Lead Smelters and Refiners. As such, there is no separate reportable segment under Ind AS - 108 on Operating Segments.
- Almost the entire sales and job work operations of the Company relate to only one segment viz. Lead Smelters and Refiners. As such, there is no separate reportable segment under Ind AS - 108 on Operating Segments.

41 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

I Relationships:

A. Entities where control exists

Holding Company

Exide Industries Limited

B. Fellow Subsidiary

Associated Battery Manufacturers (Ceylon) Limited

C. Associate

Zillica Renewables Private Limited (w.e.f October 2023)

D. Key Management Personnel

Avik Kumar Roy	Chairman and Director
Rajalakshman R	Managing Director and CEO (w.e.f. 01st January, 2026)
Indranil Chatterjee	Managing Director and CEO (Upto 31st December, 2025)
Jitendra Kumar Mohan Lal	Director
Arnab Saha	Additional Director (w.e.f. 01st April, 2025)
Manoj Kumar Agarwal	Director (w.e.f. 21st April, 2025)
Surin Kapadia	Director (w.e.f. 01st May, 2024)
Seema Bajaj	Director (w.e.f. 01st May, 2024)
Asish Kumar Mukherjee	Director (Upto 01st May, 2025)
Mona Desai	Director (Upto 22nd July, 2024)
Subir Chakraborty	Director (Upto 30th April, 2024)
Arun Mittal	Director (Upto 30th April, 2024)



II Transactions

Particulars	Holding Company	Fellow Subsidiary	Associate	Key Management Personnel	Total
<i>Purchase of goods</i>	1,610.54	-	-	-	1,610.54
<i>(Previous Year)</i>	(1,324.05)	-	-	-	(1,324.05)
Exide Industries Limited	1,610.54	-	-	-	1,610.54
<i>(Previous Year)</i>	(1,324.05)	-	-	-	(1,324.05)
<i>Sales of goods</i>	6,714.24	-	-	-	6,714.24
<i>(Previous Year)</i>	(6,469.15)	-	-	-	(6,469.15)
Exide Industries Limited	6,714.24	-	-	-	6,714.24
<i>(Previous Year)</i>	(6,469.15)	-	-	-	(6,469.15)
Job work charges received	101.90	-	-	-	101.90
<i>(Previous Year)</i>	(72.71)	-	-	-	(72.71)
Exide Industries Limited	101.90	-	-	-	101.90
<i>(Previous Year)</i>	(72.71)	-	-	-	(72.71)
<i>Sales of goods</i>	-	29.49	-	-	29.49
<i>(Previous Year)</i>	-	(11.92)	-	-	(11.92)
Associated Battery Manufacturers (Ceylon) Limited	-	29.49	-	-	29.49
<i>(Previous Year)</i>	-	(11.92)	-	-	(11.92)
<i>Director Sitting Fees</i>	-	-	-	0.01	0.01
<i>(Previous Year)</i>	-	-	-	(0.01)	(0.01)
Mona Desai (#)	-	-	-	-	-
<i>(Previous Year)</i>	-	-	-	(0.00)	(0.00)
Surin Kapadia	-	-	-	0.01	0.01
<i>(Previous Year)</i>	-	-	-	(0.01)	(0.01)
<i>Reimbursement for Deputation of Manpower</i>	6.59	-	-	-	6.59
<i>(Previous Year)</i>	(5.92)	-	-	-	(5.92)
Exide Industries Limited	6.59	-	-	-	6.59
<i>(Previous Year)</i>	(5.92)	-	-	-	(5.92)
<i>Purchase of Power inclusive of Statutory Charges</i>	-	-	2.49	-	2.49
<i>(Previous Year)</i>	-	-	(1.67)	-	(1.67)
Zillca Renewables Private Limited	-	-	2.49	-	2.49
<i>(Previous Year)</i>	-	-	(1.67)	-	(1.67)
<i>Employment benefits</i>	-	-	-	1.51	1.51
<i>(Previous Year)</i>	-	-	-	(1.41)	(1.41)
Rajalakshman R	-	-	-	0.29	0.29
<i>(Previous Year)</i>	-	-	-	-	-
Indranil Chatterjee	-	-	-	1.22	1.22
<i>(Previous Year)</i>	-	-	-	(1.41)	(1.41)
DEEC license invalidated	7.43	-	-	-	7.43
<i>(Previous Year)</i>	(25.14)	-	-	-	(25.14)
Exide Industries Limited	7.43	-	-	-	7.43
<i>(Previous Year)</i>	(25.14)	-	-	-	(25.14)
DEEC credit reversed	13.43	-	-	-	13.43
<i>(Previous Year)</i>	(22.82)	-	-	-	(22.82)
Exide Industries Limited	13.43	-	-	-	13.43
<i>(Previous Year)</i>	(22.82)	-	-	-	(22.82)
Investment in Associate	-	-	-	-	-
<i>(Previous Year)</i>	-	-	(1.49)	-	(1.49)
Zillca Renewables Private Limited	-	-	(1.49)	-	(1.49)
<i>(Previous Year)</i>	-	-	(1.49)	-	(1.49)
Inter Corporate Deposit repaid	-	-	-	-	-
<i>(Previous Year)</i>	(100.00)	-	-	-	(100.00)
Exide Industries Limited	-	-	-	-	-
<i>(Previous Year)</i>	(100.00)	-	-	-	(100.00)

(#) Amount in full figures : Rs. 23,600



Particulars	Holding Company	Fellow Subsidiary	Associate	Key Management Personnel	Total
Interest Expense on Inter Corporate Deposit	-	-	-	-	-
(Previous Year)	(0.69)	-	-	-	(0.69)
Exide Industries Limited	-	-	-	-	-
(Previous Year)	(0.69)	-	-	-	(0.69)
Balances as on March 31					
Net Receivable	443.95	4.81	-	-	448.76
(Previous Year)	(265.37)	(6.52)	-	-	(271.89)
Associated Battery Manufacturers (Ceylon) Limited	-	4.81	-	-	4.81
(Previous Year)	-	(6.52)	-	-	(6.52)
Exide Industries Limited	443.95	-	-	-	443.95
(Previous Year)	(265.37)	-	-	-	(265.37)
Payable	-	-	0.20	-	0.20
(Previous Year)	-	-	(0.24)	-	(0.24)
Zillica Renewables Private Limited	-	-	0.20	-	0.20
(Previous Year)	-	-	(0.24)	-	(0.24)

Previous Years figures are in bracket

The Company's related party transactions during the year ended March 31, 2026 and March 31, 2025 and outstanding balances as at March 31, 2026 and March 31, 2025 are with its Holding Company, fellow subsidiary and associates with whom the Company generally enters into transactions at arms length and in the ordinary course of business. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

All the balances of related parties are unsecured.

The transactions in the Related party Disclosure is inclusive of tax wherever applicable.

42 Contingent liabilities and commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
(a) Bank guarantees given on behalf of Company	21.42	21.38
(b) Disputed tax dues for which the company is contingently liable		
Direct Taxes	134.90	134.90
Indirect taxes (*)	3.23	3.23

(*) Out of the above Rs. 0.39 crores and for PY: Rs. 0.29 crores has been paid against appeals

Particulars	As at March 31, 2026	As at March 31, 2025
Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	31.90	2.52
(b) Purchase orders backed by LC opened by bankers.	60.18	1.85
Total		

43 Financial instruments

i) The carrying value and fair value of financial instruments by categories as at March 31, 2026, March 31, 2025 is as follows:

	Carrying Value		Fair Value	
	March 31, 2026 (Rs. in Crores)	March 31, 2025 (Rs. in Crores)	March 31, 2026 (Rs. in Crores)	March 31, 2025 (Rs. in Crores)
a) Financial assets				
At Fair Value				
Investments	0.99	0.92	0.99	0.92
At Amortized Cost				
Investments	1.76	1.76	1.76	1.76
Trade receivables	482.99	315.55	482.99	315.55
Other Financial Assets	14.11	6.13	14.11	6.13
Cash and cash equivalents	6.75	3.33	6.75	3.33
Total Financial Assets	506.61	327.69	506.61	327.69
b) Financial liabilities				
At Amortized Cost				
Borrowings	159.11	621.74	159.11	621.74
Trade payables	831.11	659.36	831.11	659.36
Lease liabilities	70.86	73.63	70.86	73.63
Others	13.48	21.57	13.48	21.57
Total Financial Liabilities	1,074.55	1,376.30	1,074.55	1,376.30

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



44 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2026 and March 31, 2025.

	Date of Valuation	Fair Value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value				
Investments in equity shares	31-03-2026	-	-	0.99
Total financial assets		-	-	0.99
Financial assets measured at fair value				
Investments in equity shares	31-03-2025	-	-	0.92
Total financial assets		-	-	0.92

The fair value of equity securities designated as fair value through other comprehensive income is determined using Level 3 inputs like net asset value approach. Significant unobservable inputs comprise long term growth rates, market conditions of the specific industry etc. However, the changes in the fair values due to changes in unobservable inputs will not be material to the financial statements.

45 Financial risk management objectives and policies

The Company's financial liabilities comprise short-term borrowings, capital creditors and trade and other payables.

The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents and investment.

The market risks and credit risks are further explained below:

Financial risk factors

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and commodity price risk

The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. However the Company operates only in the domestic market catering mainly to its holding company's lead alloy requirements for their storage battery manufacture. The Company's risk exposure to foreign exchange is limited to its sourcing the Raw Material internationally and selling the lead alloys to its fellow subsidiary. Such foreign currency exposures are not hedged by the Company.

Foreign currency sensitivity

Particulars	Change in Rate	Foreign Currency	Effect on Profit /
		Receivable / (Payable) (Net)	(Loss) before tax
	%	(Rs. in Crores)	(Rs. in Crores)
March 31, 2026	5%	(102.03)	5.10
	-5%		(5.10)
March 31, 2025	5%	(543.77)	27.19
	-5%		(27.19)

Foreign exchange transactions

Particulars	Currency	As at	As at
		March 31, 2026	March 31, 2025
Un-hedged foreign currency exposure			
Trade Receivables	USD	5,07,466.94	7,63,319.66
Foreign Currency Borrowing	USD	1,12,57,912.51	6,43,76,539.89
Trade and other payables	USD	7,676.50	-
Trade and other payables	EURO	-	-



b) **Commodity Price Risk**

The primary market risk to the Company is commodity price risk. However the Company primarily supplies to the holding company and its pricing mechanism for its products are linked to the LME prices of Lead that is the main raw material for the Company. The Company has not had any significant losses on account of price change risks arising out of changes in the price of Lead. Though the Company's main customer, which is its Holding Company, is exposed to commodity price change risk, the Company's pricing arrangements with it does not affect the transfer price between the Company and its Holding Company. Determining the sensitivity to the commodity price changes would not reflect the correct analysis as the Company is in a position to translate most of the price changes in its selling price determination with the holding company. Hence the sensitivity to the commodity price changes is not disclosed.

ii) **Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 482.99 Crores (PY Rs.315.55 Crores), which is majorly from the holding company. The credit period agreed from the holding company is 30 days and there have been no significant delays by the holding company in honouring the contractual terms.

Since the primary customer is the holding company the credit risk is remote. In the absence of any bad debts from the holding company in the past the expected credit loss is zero and the Company is making no provisions on account any expected credit loss. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, where considered appropriate by responsible management.

iii) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

Cash flow from operating activities provides the funds to service the financial liabilities and investing activities for plant set up. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The Company considers supplier finance arrangements as part of its liquidity risk management framework. Management monitors facility limits, utilisation, supplier participation, maturity profile, and renewal / termination risk. A reduction, withdrawal or non-renewal of these arrangements could accelerate cash outflows and affect the Company's liquidity position.

Particulars	The working capital position of the company is given	
	As at March 31, 2026	As at March 31, 2025
Cash in Hand	0.00	0.01
Bank balance	6.75	3.32
Current financial assets	10.46	2.94
Inventory	226.17	586.47
Trade receivables	482.99	315.55
Other Current assets	82.26	165.43
Total	808.63	1,073.72
Less:		
Short term borrowings	128.57	569.41
Current financial liabilities	13.48	21.57
Lease liability	2.32	2.46
Provisions	0.98	0.78
Other current liabilities	12.50	9.15
Trade payables	831.12	659.37
Total	988.97	1,262.74
Total	(180.34)	(189.02)



The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2026				
Borrowings	128.57	30.54	-	159.11
Other financial liabilities	13.48	-	-	13.48
Lease liability(*)	7.23	28.32	89.88	125.43
Liability for leasehold land(*)	0.32	1.37	309.86	311.55
Trade payables	831.12	-	-	831.12
Total	980.72	60.23	399.74	1,440.69
As at March 31, 2025				
Borrowings	569.41	52.34	-	621.75
Other financial liabilities	21.57	-	-	21.57
Lease liability(*)	7.29	28.69	96.74	132.72
Liability for leasehold land(*)	0.34	1.47	365.46	367.27
Trade payables	659.37	-	-	659.37
Total	1,257.98	82.50	462.20	1,802.68

(*) These liabilities are disclosed at undiscounted values although the same are accounted in Financial Statements considering the EIR.

iv) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because it borrows funds primarily at floating interest rates. Interest rate is to be reset at 3-12 months interval.

The Company has entered into factoring arrangement on trade receivables and has taken Foreign Currency Loans as Buyers Credit. Any change in interest rates will have an impact on interest on factoring of trade receivable and interest payable on Buyers Credit. Changes in exchange rate resulting in exchange difference 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 are also an interest rate risk.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	159.11	621.75

Sensitivity analysis based on average outstanding secured loans & factoring of trade receivables

Particulars	Impact on Profit / (Loss) after tax	
	2025-26	2024-25
Increase or decrease in interest rate by 100 basis points	1.97	6.65

46 Capital management

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and for the future development of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, external borrowings and operating cash flows generated.

The Company's adjusted net debt to equity ratio as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Gross Debt	159.11	621.74
Less: Cash and Cash Equivalent	6.75	3.33
Less: Bank Balances other than above	-	-
Net debt (A)	152.36	618.42
Total Equity (B)	232.14	246.05
Gearing ratio (A/B)	0.66	2.51

47 Disclosure with respect to IND AS 7 "Supplier Finance Arrangements"

In terms of Companies (Indian Accounting Standards) Second Amendment Rules, 2025 dated August 13, 2025 the Company has existing transactions which classifies as Supplier Finance Arrangements as per the definition contained in Para 44G of IND AS 7 of the Amendment.

- (a) The Company has entered into supplier finance arrangements for certain trade payables owed to participating suppliers. Under these arrangements, the finance providers may, at the election of participating suppliers, settle invoices on behalf of the Company before the original due date. The Company settles the corresponding amounts with the finance providers directly.

These arrangements provide the suppliers with early payment option. The arrangements are unsecured and do not include security guarantees / covenants / other material terms. The arrangement is without recourse to the Company. Such finance arrangements form part of trade payable/advance to suppliers of the Company.

- (b) The Company has also availed Foreign Currency Borrowings in the form of Buyers credit, whereby in case of import vendors the lenders settle invoices on behalf of the Company. The Company settles the corresponding amounts with the lenders on the repayment date as specified by the lenders on case to case basis which in any case does not exceed six months.

These arrangements provide the suppliers with an extended payment terms. The arrangements are secured with each of the lenders (for security terms of each of the lender refer note 20). Such finance arrangements form part of Short term Borrowings of the Company.



(i) Carrying amounts of financial liabilities that are part of supplier finance arrangements

Particulars	As at March 31, 2026
Trade payables forming part of supplier finance arrangements	413.33
Borrowings forming part of supplier finance arrangements	106.77
	<u>520.10</u>

(ii) Out of the above closing balance, financial liabilities for which suppliers have already received payment from finance providers

Particulars	As at March 31, 2026
Trade payables for which suppliers have already been paid by finance providers	377.09
Short term Borrowings for which suppliers have already been paid by finance providers	101.78
	<u>478.87</u>

(iii) Range of payment due dates at the end of the year

Particulars	As at March 31, 2026
Liabilities that are part of supplier finance arrangements under Trade Payables	30 to 60 days
Liabilities that are part of supplier finance arrangements under Short term Borrowings	110 to 180 days
Comparable trade payables not part of supplier finance arrangements	30 to 45 days

(iv) Non-cash changes in financial liabilities that are part of supplier finance arrangements

	As at March 31, 2026
During the year, non-cash changes in financial liabilities forming part of supplier finance arrangements comprised	
Foreign exchange differences (Gain)/Loss on account of Foreign Currency Borrowings	4.99
Other non-cash changes	-

In terms of Companies (Indian Accounting Standards) Second Amendment Rules, 2025 dated August 13, 2025 para 62 and 63 of IND AS 7, the Company has not disclosed the Comparative disclosures for the year ended March 31, 2025.

- 48 Analytical Ratios as per requirements of Schedule III are given in Statement 2
- 49 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of material accounting policy information and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2026.
- 50 The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date
For N V C & Associates LLP
Chartered Accountants
ICAI Firm Registration No. : 106971W/W101085

Sd/-
Pratik Boghani
Partner
M.No. 183338



Place : Mumbai
Date : April 23, 2026

For and on behalf of the Board of Directors

Sd/-
Manoj Kumar Agarwal
DIN 11040471
Director

Sd/-
Rajalakshman R
DIN 11456554
Managing Director & CEO

Sd/-
Kushal Srivastava
Chief Financial Officer

Place : Kolkata
Date : April 23, 2026

Sd/-
Atreyee Mukherjee
Company Secretary
ACS No. 50621