

**FERRO ALLOYS  
CORPORATION LIMITED  
ANNUAL REPORT  
FY 2025-26**

**FERRO ALLOYS CORPORATION LIMITED**

CIN: U45201OR1955PLC008400

Registered Office: D P Nagar, Randia, Dist. Bhadrak – 756135, Odisha

Tel.: 6784 240320 | E-mail: [facor.ccp@vedanta.co.in](mailto:facor.ccp@vedanta.co.in) | Website: [www.facorgroup.in](http://www.facorgroup.in)**NOTICE OF 70<sup>TH</sup> ANNUAL GENERAL MEETING**

**SHORTER NOTICE IS HEREBY GIVEN** that the 70<sup>th</sup> Annual General Meeting (AGM) of the Members of Ferro Alloys Corporation Limited will be held on **Thursday, 9<sup>th</sup> July 2026 at 11:00 A.M.**, through Video Conferencing/Other Audio-Visual Means (VC/OAVM) to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Auditor's Report and Board's Reports thereon.
2. To appoint Mr. Akhilesh Joshi (DIN: 01920024), Director, who retires by rotation and being eligible, offers himself a re-appointment as a director.

**SPECIAL BUSINESS:****3. Ratification of Cost Auditor's Remuneration:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the remuneration payable to appointed as the Cost Auditors of the Company to conduct cost audit with respect to the products to be manufactured by the Company for the Financial Year 2026-27, amounting to Rs. 100,000 (Rupees One lakh only) plus goods and GST as applicable and reimbursement of out-of-pocket expenses incurred, be and is hereby ratified".

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and things as may be necessary to give effect on this resolution."

**4. Appointment of Mr. Manoj Kumar Keshari (DIN: 11782061) as Whole-time Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V and the Rules made thereunder, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Manoj Kumar Keshari (DIN: 11782061), who was appointed as an Additional Director, be and is hereby appointed as a Whole-time Director of the Company, for a period of 2 (Two) years from 20th June 2026 to 19th June 2028, liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Manoj Kumar Keshari shall be designated as Chief Executive Officer (CEO) and Key Managerial Personnel (KMP) of the Company.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Manoj Kumar Keshari shall be:

- As may be determined/approved by the Board of Directors from time to time,
- In accordance with the Nomination and Remuneration Policy of the Company, and
- Within the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, the remuneration shall be paid in accordance with Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** any Director or the Company Secretary be and is hereby authorised to file necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**5. Appointment of Capt. Anoop Kumar Sharma (DIN: 03531392) as Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and the Rules made thereunder, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Capt. Anoop Kumar Sharma (DIN: 03531392), who has been appointed as an Additional Director in the capacity of Non-Executive Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 2 (Two) years from 22nd June 2026 to 21st June 2028.”

**RESOLVED FURTHER THAT** he shall be paid:

- **Sitting Fees** for attending Board and Committee meetings, as approved by the Board from time to time; and
- Commission, as may be determined by the Board, within the limits prescribed under Section 197 of the Companies Act, 2013.”

**RESOLVED FURTHER THAT** any Director or the Company Secretary be and is hereby authorised to file necessary forms and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**6. Appointment of Ms. Mansi Dhiman (DIN: 07597797) as Non-Executive Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, and based on the recommendation of the Nomination and Remuneration Committee, Ms. Mansi Dhiman (DIN: 07597797), who was appointed as an Additional Director of the Company by the Board of Directors on 27th May 2026 through resolution passed by circulation, be and is hereby appointed as a Director (Non-Executive) of the Company.

**RESOLVED FURTHER THAT** Ms. Mansi Dhiman shall hold office for a period of 2 (Two) years from 1st May 2026 to 30th April 2028 and shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director or the Company Secretary be and is hereby authorised to file necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

#### **7. Appointment of Statutory Auditor to Fill Casual Vacancy (Section 139(8))**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, and based on the recommendation of the Audit Committee and approval of the Board of Directors, M S K A & Associates LLP, Chartered Accountants (Firm Registration No. 105047W /W101187), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s S R Batliboi & Co. LLP, Chartered Accountants;

**RESOLVED FURTHER THAT** the said auditors shall hold office from the date of Board approval till the conclusion of this 70th Annual General Meeting and be entitled to such remuneration as may be fixed by the Board of Directors.”

#### **8. Appointment of Statutory Auditor for a Term of Five Consecutive Years (Section 139(1))**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, and based on the recommendation of the Audit Committee and approval of the Board of Directors M S K A & Associates LLP, Chartered Accountants (Firm Registration No. 105047W /W101187), be and are hereby appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this 70th Annual General Meeting till the conclusion of the 76th Annual General Meeting, at such remuneration as may be determined by the Board of Directors;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to fix their remuneration, including reimbursement of out-of-pocket expenses, as may be mutually agreed with the auditors.”

#### **9. Alteration of Article 19 of the Articles of Association of the Company**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, and subject to such approvals as may be required, the consent of the members be and is hereby accorded to amend Article 19 (Power to Borrow) of the Articles of Association of the Company by substituting the words:

**‘by an ordinary resolution’**

with

**‘by passing a special resolution’.**

**RESOLVED FURTHER THAT** save and except the above amendment, all other provisions of Article 19 shall remain unchanged.

**RESOLVED FURTHER THAT** any Director or the Company Secretary be and is hereby authorised to file necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**By Order of Board of Directors of  
Ferro Alloys Corporation Limited**

**Sd/-**

**Sambit Kumar Sarangi  
Company Secretary  
ACS11105**

Place: Bhadrak  
Date: 27.06.2026

**NOTES:**

1. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (the Act'), relating to the Special Business to be transacted at this Annual General Meeting (AGM') is annexed.

Additional information with respect to re-appointment of the Auditors of the Company, as proposed under Item No. 5 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022, and General Circular No. 09/2023 dated 05.09.2023, General Circular No.09/2024 dated 19.09.2024, and after due examination, it has been decided to allow companies through General Circular No.03/2025 dated 22.09.2025 to conduct their AGMs through VC or OAVM till further orders, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

The relevant details, pursuant to Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this Annual General Meeting ("AGM") are also annexed.

1. The requirement to place the matter relating to the appointment of Statutory Auditors for ratification by Members at every Annual General Meeting has been done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy needs not be a member of the Company. Since the AGM is being conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip not annexed to this Notice.
3. The members may join the meeting 15 minutes before and after the scheduled time of the commencement of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for members, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee and Nomination & Remuneration Committee, Auditors etc.
4. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
5. Pursuant to Section 113 of the Companies Act, 2013 Corporate Shareholders (i.e. other than individuals / HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorisation shall be sent to the Company at [facor.ccp@vedanta.co.in](mailto:facor.ccp@vedanta.co.in)
6. The Notice of the 70th AGM and the Annual accounts for the financial year 2025-26 (hereinafter referred to as the "Annual Report") are being sent through electronic mode to the members who have registered their email IDs with the Company / Depository Participants (DPs) in accordance with the aforementioned Circulars. No physical copy of the Notice and the Annual Report has been sent to members who have not registered their e-mail addresses with the Company/ DPs.

7. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to have the information ready.
8. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes at the meeting.
9. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

**By Order of Board of Directors of  
Ferro Alloys Corporation Limited**

Sd/-

**Sambit Kumar Sarangi  
Company Secretary  
ACS11105**

Place: Bhadrak  
Date: 27.06.2026

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, had appointed Mr. Manoj Kumar Keshari (DIN: 11782061) as an Additional Director and approved his appointment as Whole-time Director designated as Chief Executive Officer (CEO) & KMP of the Company, subject to approval of the members.

Mr. Keshari has more than 30 years of experience in engineering, operations and strategic leadership and has been associated with Vedanta Limited since 2008. His expertise includes plant operations, project execution, cost optimisation, P&L management and leadership of large industrial operations.

In terms of the provisions of Sections 196, 197 read with Schedule V, approval of members is required for appointment and payment of remuneration to Whole-time Director.

### **I. REMUNERATION DETAILS**

#### Fixed Pay

- Basic Salary: ₹ 42,09,600 p.a.
- Allowances (including HRA, Car, Driver, Utilities, Furnishings, etc.): ₹3,224,880 p.a.
- Total Annual Fixed Pay (excluding PF, Gratuity & Superannuation): ₹74,34,480 p.a.

#### Benefits

- Taxable Benefits: ₹ 9,60,000 p.a.
- Company's Contribution to PF and Gratuity: ₹ 7,07,532 p.a.
- Leave Benefits as per Policy

#### Performance-Linked Compensation

- Target Annual Bonus: ₹ 32,57,000 p.a.
- Long Term Incentive Plan (ESOP): ₹ 14,03,107 p.a.

### **II. KEY TERMS & CONDITIONS**

1. In the event of no profits or inadequate profits, remuneration shall be paid in accordance with Section II(A) of Part II of Schedule V of the Companies Act, 2013.
2. Mr. Keshari shall discharge such duties as may be entrusted to him by the Board, commensurate with his position.
3. He shall be entitled to reimbursement of expenses incurred in the course of official duties.
4. Either party may terminate the appointment by giving two months' notice or payment in lieu thereof.

#### OTHER INFORMATION (as per Schedule V – Part II)

- (a) The Company is engaged in the business of manufacture of ferro alloys and related mining activities.
- (b) Mr. Manoj Kumar Keshari has extensive experience in operations, leadership and business management, and has contributed significantly to the performance of the Company.

The proposed appointment is for a period of 2 (Two) years from 20th June 2026 to 19th June 2028. The remuneration payable shall be as determined by the Board, in accordance with the Company's Nomination and Remuneration Policy and within statutory limits.

The Board is of the opinion that the appointment of Mr. Keshari is in the best interest of the Company.

Except Mr. Manoj Kumar Keshari, none of the Directors, Key Managerial Personnel or their relatives, are concerned or interested in the resolution.

The Board recommends the passing of the Ordinary Resolution as set out under Item No.4 of the Notice.

#### **Item No. 5**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has appointed Capt. Anoop Kumar Sharma (DIN: 03531392) as an Additional Director in the capacity of Non-Executive Independent Director, subject to approval of the members.

Capt. Anoop Kumar Sharma is a highly accomplished professional with over 40 years of rich experience in the shipping and maritime industry, including 11 years at the Board level. He is a Fellow Member of the Institute of Chartered Shipbrokers and holds a Diploma in Marketing Management from Narsee Monjee Institute of Management Studies (NMIMS), Mumbai.

He has demonstrated exceptional leadership and strategic decision-making capabilities, having served as the Chairman and Managing Director of The Shipping Corporation of India, a 'Navratna' Public Sector Enterprise, where he successfully led large-scale operations and organisational transformation. He has also served as Managing Director of Essar Shipping, reflecting strong industry expertise and executive leadership.

Capt. Sharma is a certified Independent Director and ESG Impact Leader from the Indian Institute of Corporate Affairs (Ministry of Corporate Affairs), underscoring his commitment to corporate governance and sustainability. He has held the position of President of the Indian National Shipowners' Association, demonstrating strong industry leadership and advocacy at the national level.

Currently, he serves as an Independent Director, Independent External Monitor, and Advisory Board Member across various companies and startups, contributing valuable insights on governance and strategy. He is also actively associated with several technical and commercial committees in maritime and logistics sectors and serves on boards of prominent national and international organizations, including BIMCO, reflecting a strong global perspective.

Capt. Sharma has been the recipient of numerous national and international awards, recognizing his outstanding contributions and excellence in the maritime industry.

In terms of Sections 149 and 152, approval of shareholders is required for appointment of an Independent Director.

Capt. Sharma meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and has submitted Consent to act as Director (DIR-2); Declaration of independence; and Declaration of non-disqualification (DIR-8)

The proposed appointment is for a period of 2 (Two) years from 22 June 2026 to 21 June 2028 and he shall not be liable to retire by rotation.

He will be paid sitting fees and commission, as may be determined by the Board within statutory limits.

The Board is of the opinion that his experience, expertise and integrity will be of significant value to the Company.

Except Capt. Anoop Kumar Sharma, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board recommends the passing of the Ordinary Resolution as set out under Item No.5 of the Notice.

#### **Item No.6**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, had appointed Ms. Mansi Dhiman (DIN: 07597797) as an Additional Director of the Company on 27th May 2026 by passing a resolution through circulation.

In terms of the provisions of Section 161 of the Companies Act, 2013, Ms. Dhiman holds office up to the date of the ensuing General Meeting. Accordingly, approval of the members is sought for her appointment as a Non-Executive Director.

The proposed appointment is for a period of 2 (Two) years from 1st May 2026 to 30th April 2028, and she shall be liable to retire by rotation.

The Board is of the opinion that her appointment will be beneficial to the Company.

**Brief Profile:** Ms. Mansi Dhiman is a senior strategy and M&A professional currently serving as Director – Mergers & Acquisitions and Deputy Head – Investor Relations at Vedanta Limited. She has been associated with the Vedanta Group since 2015 and brings over a decade of experience in strategy, corporate development and the energy sector.

She has previously worked with Fortive and Cairn Oil & Gas, where she held technical and strategic roles, including in petroleum engineering.

Ms. Dhiman holds a B. Tech in Civil Engineering from IIT Delhi and an MBA from Harvard Business School. She is recognized for her strong analytical skills, deal execution capabilities and experience in large-scale natural resources and infrastructure businesses.

Except Ms. Mansi Dhiman, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested in the resolution.

The Board recommends the passing of the Ordinary Resolution as set out under Item No.6 of the Notice.

#### **Item No.7**

The existing Article 19 (Power to Borrow) of the Articles of Association of the Company provides that where the borrowing limits exceed the aggregate of the Company's paid-up capital and free reserves, approval of the members is required by way of an ordinary resolution.

However, as per the provisions of Section 180(1)(c) of the Companies Act, 2013, borrowing powers of the Board beyond the prescribed limits require approval of shareholders by way of a special resolution.

Accordingly, to align the Articles of Association with the statutory provisions of the Companies Act, 2013 and to ensure better governance practices, it is proposed to amend Article 19 by substituting the words "ordinary resolution" with "special resolution."

The Board of Directors at its meeting held on [●] has approved the proposed amendment, subject to approval of the members.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board recommends the Special Resolution for approval of the members.

**By Order of Board of Directors of  
Ferro Alloys Corporation Limited  
Sd/-**

**Sambit Kumar Sarangi  
Company Secretary  
ACS11105**

Place: Bhadrak  
Date: 27.06.2026



**Annexure**

**Pursuant to the Secretarial Standard-2 issued by the Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be appointed / re-appointed:**

**Annexure to AGM Notice dated 9<sup>th</sup> July 2026**

<b>Name of the Director</b>	<b>Mr. Akhilesh Joshi (DIN: 01920024)</b>	<b>Mr. Manoj Kumar Keshari (DIN: 10213819)</b>
Date of Birth/ Age	25-01-1954/71	16-06-1971/55
Date of first appointment / re-appointment	September 21, 2020(Appointment as ID) September 21, 2022(Re-appointment as ID) September 21, 2024 (Appointed as NED)	20.06.2026
Qualification	B.E. Mining and first-class Mining Manager Certificate of Competency under MMR - 1961 (unrestricted), Diploma from Paris School of Mines in Economic Evaluation of Mining Projects	B.E., M.Tech (BITS Pilani), MBA
Experience	45+ years in mining sector	30+ years in operations, strategy & leadership
Expertise	Mr. Akhilesh Joshi has over 45 years of professional experience in mining with an exemplary track record of nurturing one of the world's largest integrated zinc, lead and silver producing Organisation with a high-performance culture that brings out the best in its employees and propels strategic and meticulous execution to deliver extraordinary results. He was the CEO of Hindustan Zinc Limited from 2012 to 2015 and also appointed President of global zinc business. He provided guidance to gold mining companies in Armenia, engaged and worked closely with companies like SRK/ AMC etc., for benchmarking and mining methodology evaluations. In his long global career, he has been recognized with numerous awards including Business Today CEO Award, HZL Gold Medal award by Indian Institute of Metals. In 2012, he was facilitated by the then Honorable Finance Minister	Operations, P&L Management, Strategic Leadership

	<p>for his excellent contribution to the mining sector. He is also a member of The Institution of Engineers (India), Mining Engineers Association of India (MEAI), Mining Geological and Metallurgical Institute of India (MGMI) and Indian Institute of Mineral Engineers (IIME).</p> <p>He has also co-authored a book titled 'Blast Design Theory and Practice' and written various technical papers in relation to exploration and mining since 1995.</p>	
Terms and Conditions of appointment along with details of remuneration sought to be paid and remuneration last drawn up by such person	In FY 2025-26 he was paid Rs.4.50 lakhs as sitting fee and Rs. 23.50 lakhs as Commission.	Terms and Conditions with details of remuneration to be paid is defined in the explanatory statement to this notice.
Directorship of other Boards as on 31 March 2026	<ol style="list-style-type: none"> <li>1. Rajasthan State Mines and Minerals Ltd.</li> <li>2. Wolkem Industries Limited</li> <li>3. Wolkem India Limited</li> </ol>	NIL
Number of Memberships in Audit/Stakeholder Committee(s) including this Company	9	None
Resignation as a Director from Listed Entities in the past three years:	<ol style="list-style-type: none"> <li>1. Vedanta Limited w.e.f. 01.07.2024</li> <li>2. Hindustan Zinc Limited w.e.f. 31.07.25</li> </ol>	None
Number of shares held in the Company as on 31.03.2026	None	None

<b>Name of the Director</b>	<b>Mr. Capt. Anoop Kumar Sharma (DIN: 03531392)</b>	<b>Mr. Mansi Dhiman (DIN: 07597797)</b>
Date of Birth/ Age	21.08.1960/65	20-08-1990/45
Date of first appointment	20.06.2026	01.05.2026
Qualification	Fellow ICS, Diploma (NMIMS)	B.Tech. in Civil Engineering from IIT Delhi and an MBA from Harvard Business School
Experience	40+ years in shipping industry	10+ years in Strategy & M&A
Expertise	<p>He has demonstrated exceptional leadership and strategic decision-making capabilities, having served as the Chairman and Managing Director of The Shipping Corporation of India, a 'Navratna' Public Sector Enterprise, where he successfully led large-scale operations and organizational transformation. He has also served as Managing Director of Essar Shipping, reflecting strong industry expertise and executive leadership.</p> <p>Capt. Sharma is a certified Independent Director and ESG Impact Leader from the Indian Institute of Corporate Affairs (Ministry of Corporate Affairs), underscoring his commitment to corporate governance and sustainability. He has held the position of President of the Indian National Shipowners' Association, demonstrating strong industry leadership and advocacy at the national level.</p> <p>Currently, he serves as an Independent Director, Independent External Monitor, and Advisory Board Member across various companies and startups, contributing valuable insights on governance and strategy. He is also actively associated with several technical and commercial committees in maritime and logistics sectors and serves on boards of prominent national and international organizations, including BIMCO, reflecting a strong global perspective.</p> <p>Capt. Sharma has been the recipient of numerous national and international awards, recognizing his outstanding contributions and excellence in the maritime industry.</p>	Corporate Strategy, M&A, Investor Relations

Terms and Conditions of appointment/reappointment along with details of remuneration sought to be paid and remuneration last drawn by such person	No remuneration is payable other than sitting fees and commission	None
Directorship of other Boards as on 31 March 2026	1. Kamarajar Port Limited 2. Vizag General Cargo Berth Private Limited	1. GRANDPITSTOP PRIVATE LIMITED 2. VEDANTA FINANCE IFSC LIMITED 3. INCAB INDUSTRIES LTD 4. VEDANTA SEMICONDUCTORS PRIVATE LIMITED 5. TWIN STAR TECHNOLOGIES LIMITED (Appointed as Whole-Time Director and CFO) 6. VEDANTA DISPLAYS LIMITED
Number of Memberships in Audit/Stakeholder Committee(s) including this Company	One Chairmanship-NRC Two Membership-Audit Committee and CSR Committee	None
Resignation as a Director from Listed Entities in the past three years:	None	None
Number of shares held in the Company as on 31.03.2026	None	None

## **BOARD'S REPORT**

### **TO THE MEMBER**

Your directors present the 70<sup>th</sup> Board Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 together with the reports of the Auditors thereon.

#### **1. Financial Results**

(Rs.in Cr.)

<b>Particulars</b>	<b>Year Ended 31 Mar, 2026</b>	<b>Year Ended 31 Mar, 2025</b>
Revenue from operations	1098.86	933.82
Other income	14.09	20.65
Profit/(Loss) before Exceptional items	<b>121.91</b>	<b>(4.98)</b>
Exceptional items	1.91	0.00
Tax expense	30.57	1.15
Profit for the period	<b>89.43</b>	<b>(6.13)</b>
Other comprehensive income	(0.70)	(2.46)
EPS	2.63	(0.18)
Transferred to general reserve	-	-

#### **2. Dividend**

In line with the Company's capital allocation and profit conservation strategy, the Board has not recommended any dividend for the financial year under review.

#### **3. TRANSFER TO RESERVES**

No amounts have been transferred to the Reserves during the year under review.

#### **4. STATE OF AFFAIRS**

The revenue from operations for the year under review is Rs 1098.86 Cr., which represents an increase of 18% compared to the previous financial year. Profit for the year stood at Rs.89.44 Cr. against loss of Rs.6.13 Cr. in previous year.

The operations of your company during the year under review with ferro chrome production of 101 KT (previous year: 83 KT tonnes), captive power generation of 531 MUs (previous year: 439 MUs), and chrome ore raising of 371 KT (previous year: 250KT) being the highest ever.

#### **Mining Operation**

The Company has two operational chromite mines viz. Ostapal Mines and Kalarangiatta Chromite Mines and both are open cast mines. Kalarangiatta Chromite Mines become operational from November 25 after getting its Forest Clearance.

#### **Projects under implementation:**

The Company is implementing key growth projects including a 300 KTPA ferro chrome furnace at Bhadrak, a 1.5 MTPA underground mining project at Ostapal, and a 600 KTPA concentrator plant at Tomka.

#### **5. Nature of Business**

During the year under review, there were no change takes place in nature of Business of the Company.

#### **6. Application under Insolvency and Bankruptcy Code 2016**

During the year under review no application under the Insolvency and Bankruptcy Code 2016 has been filed for or against the Company.

#### **7. Material changes and commitments, if any, affect the financial position of the Company**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

#### **8. Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

## 9. Safety

HSE Report for the year 2025-26:

Particulars	2025-26	2024-25
Fatalities	0	0
Lost Time Injury Accidents	1	5
First-aid Injury Accident (inside)	19	32
Medically Treated Injury	5	4
Near miss incidents	1262	427
HIPO Incident	5	22
UC & UA	22068	20468
Fire Incident	5	6

## 10. Internal Control Systems and their Adequacy

The Company has established robust internal financial control systems commensurate with the size, scale, and complexity of its operations. These controls are periodically assessed by internal auditors, and their adequacy and operating effectiveness are reviewed by the Audit Committee.

## 11. Web Link of Annual Return

Pursuant to provisions of Section 92 of the Companies Act, 2013 read with the applicable Rule thereunder, web link of the Annual Return is: <https://www.facorgroup.in/about-us/corporate-governance/>

## 12. Subsidiary/ Associate/ Joint Venture Companies

1. Your Company continued to be a subsidiary of Vedanta Limited.
2. Your Company has no subsidiary & Associate Company.

## 13. Deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

## 14. Auditors

### Statutory Auditors

S R Batliboi & Co. LLP (Firm Regn. No. 301003E/E300005) were appointed as

Statutory Auditors of the Company by the members at the 66<sup>th</sup> Annual General meeting held on 30<sup>th</sup> June 2022, for a period of 5 years to hold office from the conclusion of 66<sup>th</sup> AGM till the conclusion of the 71<sup>st</sup> AGM to be held in 2027.

As per the Notification of Ministry of Corporate Affairs dated 7<sup>th</sup> May 2018, ratification of appointment of Statutory Auditors at every AGM is not required.

### Auditor's Report

The report issued on the Audited financial statements of the Company for the year March 31, 2026, is enclosed with this Report. The observations, if any, made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

During the year under review, the Auditors have not reported any fraud under Section 143 (12) of the Companies Act, 2013 therefore no detail is required to be disclosed pursuant to Section 134(3) (ca) of the Companies Act, 2013.

### Cost Auditors

Your Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and accordingly such accounts and records are made and maintained.

Pursuant to Section 148 of the Companies Act 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, as amended from time to time, the cost audit records maintained by the Company in respect of its activity is required to be audited. Your directors have appointed Niran & Co., Cost Accountant, to audit the cost accounts of the Company for FY 2025-26.

In accordance with the provisions of the Companies Act, 2013, the appointment and remuneration of the Cost Auditors was subsequently ratified by the Members at the Annual General Meeting of the Company held on June 30, 2025.

No qualification reported by the Cost Auditor.

### Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rule made in there

under, the Company appointed KPMG Assurance Consulting LLP as internal Auditor of the Company, to undertake the Internal Audit of the Company for financial Year 2025-26.

KPMG Assurance Consulting LLP has conducted an internal audit and presents their report before the Audit Committee on a quarterly basis.

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial

Rules, 2014, the Company has appointed Sanjay Grover & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for financial Year 2025-26. Secretarial Audit Report for FY 2025-26 in **MR-3** is annexed herewith as **Annexure - B**.

No qualification/adverse remark reported by the Secretarial Auditors in their report.

### **15. Capital Structure**

The paid-up Equity Share Capital as on 31<sup>st</sup> March 2026 remains same - Rs. 34,00,01,800 divided into 34,00,01,800 (Thirty-Four Crore One Hundred Eight Hundred) equity shares of Rs. 1/- (Rupees One only) each.

During the year under review, the Authorised share Capital of the Company remained at Rs.730,00,00,000.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

The Directors of the Company do not hold convertible instruments of the Company.

### **16. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure A**.

### **17. Committees of the Board**

Currently, there are three (3) Board Committees - the Audit Committee, the Nomination and Remuneration Committee, and Corporate Social Responsibility Committee.

Meetings of the Board Committees are convened by the respective Committee chairman. Matters requiring the Board's attention/approval, as emanating from the Board Committee meetings, are placed before the Board with clearance of the Committee chairman. All the recommendations made by Board Committees during the year were accepted by the Board. Minutes of Board Committee meetings are placed before the Board for its information. The role and composition of these Committees are provided below.

#### **Audit Committee**

The Audit Committee of the Board of Directors constituted in compliance of Section 177 of Companies Act, 2013, composed solely of Independent Directors, ensures unbiased financial opinions and value addition. The Committee reviews internal audits, controls, procedures, and financial statements before submission to the Board. It also oversees the implementation of the risk management policy and the whistle-blower policy, along with other activities. Each Members bring extensive experience and strong knowledge of accounting and financial management.

Composition, names of members and number of meetings held during the year:

- a) Mr. AR Narayanaswamy-Chairman (Independent Director)
- b) Mr. Akhilesh Joshi-Member (Non-Independent Director)
- c) Mrs. Pallavi Bakhru Joshi- Member (Independent Director)

During FY 2025-26, there were Five (5) Audit Committee meetings held on 17.04.2025, 19.04.2025 (Adjourned Meeting), 18.07.2025, 16.10.2025, and 17.01.2026.

The attendance of Members at the meetings was as follows:

Name of Director	No. of the meetings during the year 2025-2026	
	Held	Attended
Mr. AR Narayanaswamy (Chairman)	5	5
Mr. Akhilesh Joshi	5	5
Mr. Pallavi Bakhru	5	5

#### **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee (NRC) of the Board of Directors constituted in compliance of Section 178 of Companies Act, 2013, is tasked with overseeing key processes and making recommendations to the Board concerning its structure, size, and composition, as well as that of Key Managerial Personnel (KMP). The NRC ensures that the Board possesses the appropriate mix of skills, experience, diversity, and independence to operate effectively. The Committee also conducts an annual performance evaluation.

As of March 31, 2026, the NRC consists of one Independent Director and two Non-Executive Director, ensuring balanced and effective oversight of the Board's composition and performance. In accordance with the provisions of Section 134(3)(e) of the Companies Act, 2013, the Company has adopted the Nomination and Remuneration Policy.

Composition, names of members and number of meetings held during the year:

- Mr. AR Narayanaswamy - Chairman (Independent Director)
- Mr. Akhilesh Joshi - Member (non-Independent Director)
- Mr. Arun Misra - Member (non-Independent Director)

During the year ended 31<sup>st</sup> March 2026, three (3) meetings of the NRC were held on 14.04.2025, 27.06.2025 and 17.01.2026.

The attendance of Members at the meetings was as follows:

Name of Director	No. of the meetings during the year 2025-2026	
	Held	Attended
Mr. AR Narayanaswamy (Chairman)	3	3
Mr. Akhilesh Joshi	3	3
Mr. Arun Misra	3	2

#### **Corporate Social Responsibility (CSR) Committee:**

The Corporate Social Responsibility (CSR) Committee of the Board oversees and reviews the Company's CSR activities. In compliance with Section 135 of the Companies Act, 2013, the Company has duly constituted the CSR Committee. As of March 31, 2026, the Committee comprises an Independent Director, a Non-Executive Director, and an Executive Director. The role of the CSR Committee includes formulating and recommending the CSR Policy and activities to the Board, recommending the expenditure on CSR activities, and reviewing the Company's performance in the area of CSR.

Composition, names of members and number of meetings held during the year:

- Mr. AR Narayanaswamy - Chairman (Independent Director)
- Mr. Akhilesh Joshi - Member (non-Independent Director)
- Mr. Arun Misra - Member (non-Independent Director)

During the year ended 31<sup>st</sup> March 2026 2 (two) meetings of CSR Committee were held on 14.04.2025, and 17.01.2026.

The attendance of Members at the meetings was as follows:

Name of Director	No. of the meetings during the year 2025-2026	
	Held	Attended
Mr. Akhilesh Joshi (Chairman)	2	2
Mr. AR Narayanaswamy	2	2
Mr. Arun Misra	2	2

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects mainly in the areas of promoting sanitation, education, healthcare, empowerment of woman, infrastructure Development, and Animal Husbandry.

The Annual Report on CSR activities and the CSR Policy adopted by the Company is annexed herewith as **Annexure C**.

## **18. Board of Directors and Key managerial Personnel (KMP)**

The Board of Directors, constituted by shareholders, is the apex body overseeing the Company's overall functioning.

It provides strategic direction and leadership, and oversees management policies and their effectiveness, with a focus on the long-term interests of shareholders and other stakeholders.

### **Changes in Directors and KMP**

During the year 2025-26 basis the recommendation of the Nomination & Remuneration Committee and the Board:

1. Due to sudden demise, Mr. Agnivesh Agarwal ceased to be Director of the w.e.f. 07.01.2026.
2. Mr. Prashuk Jain was appointed as CFO in place of outgoing CFO Mr. Karan Kejriwal w.e.f. 17.01.2026.

### **Directors liable to retiring by rotation**

As per the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Akhilesh Joshi (DIN: 01920024), Director, is liable to retire by rotation at the ensuing Annual General Meeting, being eligible offer herself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends her re-appointment. Details of re-appointment and brief profile of the Director forms part of the AGM Notice. The Nomination and Remuneration Policy of the Company is available on the Company's website at: [www.facorgroup.in/about-us/corporate-governance/Nomination and Remuneration Policy](http://www.facorgroup.in/about-us/corporate-governance/Nomination%20and%20Remuneration%20Policy).

### **Key Managerial Personnel**

Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules").

Mr. Pankaj Kumar Sharma, Chief Executive Officer & Whole Time Director  
Mr. Prashuk Jain, Chief Financial Officer  
Mr. Sambit Kumar Sarangi, Company Secretary

### **Declaration by Independent Directors:**

The Company has received declarations from all Independent Directors confirming that they continue to meet the criteria of independence as prescribed under the Companies Act, 2013 ("Act") and comply with the Code for Independent Directors as specified under Schedule IV of the Act. In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act and the Rules made thereunder and are independent of the management.

The Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In terms of Section 150 of the Act, read with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA).

1. Mr. AR Narayanaswamy-(Independent Director)
2. Mrs. Pallavi Bakhru Joshi- (Independent Director)

### **Independent Directors' Meeting**

As per Schedule IV of the Companies Act, 2013 read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management. During FY 2025-26, the Independent Directors met without the presence of management on 28th March 2026. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

## Number of Meetings of the Board

During the year ending 31<sup>st</sup> March 2026, seven (7) meetings, including adjourned meetings, of Board of Directors were held on

17.04.2025, 19.04.2025, 27.06.2025,  
18.07.2025, 16.10.2025, 17.01.2026 and  
06.02.2026.

The attendance of Members at the meetings was as follows:

Name of Director	No. of the meetings during the year 2025-2026	
	Held	Attended
Mr. Akhilesh Joshi, Chairman	7	7
Mr. Arun Misra	7	6
Mrs. Pallavi Joshi Bakhru	7	7
Mr. AR Narayanaswamy	7	7
Mr. Pankaj Kumar Sharma	7	6
Mr. Agnivesh Agarwal*	7	2

\*Mr. Agnivesh Agarwal not a Board member w.e.f. 07.01.2026

## 19. Annual Evaluation of Board Performance and performance of its committees and individual directors

To comply with the provisions of Section 134(3)(p) of the Act and Rules made thereunder, the Board has carried out the annual performance evaluation of the Directors individually including the Independent Directors (wherein the concerned Director being evaluated did not participate), Board as a whole and following Committees of the Board of Directors:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee; and
- iii) Corporate Social Responsibility Committee.

Board is responsible for monitoring and review the evaluation framework.

## 20. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

The Company has not made any Investment, given guarantee and securities during the financial year under review. There for no need to comply with the provisions of section 186 of the Companies Act, 2013.

## 21. Particulars of Contracts or Arrangements with Related Parties

All related party transactions that were entered into during the Financial Year under review were on an arm's length basis and were in the ordinary course of business.

All Related Party Transactions are duly approved by the Board.

In accordance with the requirements of Section 188 of the Companies Act, 2013, the particulars of Related Party Transactions entered by the Company during the year under review are provided in Form AOC -2 enclosed herewith as *Annexure D*.

## 22. Managerial Remuneration

During the year under review your Company paid sitting fees and commission to Independent/Non-Executive Directors.

The Company has a Whole-Time Director.

The information required pursuant to Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136 of the Companies Act, 2013 the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

## 23. Risk Management

Your Company has a structured Business Risk Management framework designed to identify, assess, and mitigate strategic, operational, financial, and compliance risks. The framework supports informed decision-making and alignment with the Company's long-term objectives.

## **24. Shares**

### **a. Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

### **b. Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

### **c. Bonus Shares**

No Bonus Shares were issued during the year under review.

### **d. Employees Stock Option Plan**

The Company has not provided any Stock Option Scheme for the employees.

## **25. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year no POSH related incident was reported.

## **26. Compliance as per Secretarial Standards**

As per the provisions of Section 118(10) of the Companies Act, 2013, your Company has complied with the requirements of the applicable Secretarial Standards *i.e.* Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2).

## **27. Director's Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2026 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **28. General**

Your directors confirm that no disclosure or reporting is required in respect of the following items as there was no transaction on these items during the year under review:

1. Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
3. No application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016 as at the end of the Financial Year 2026.
4. No instance of one-time settlement with any bank or financial institution.

The Company is in regular compliance of the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India and the Maternity Benefit Act, 1961.

## **29. Acknowledgements**

The Directors would like to thank the employees and employee unions, shareholders, customers, suppliers, bankers, regulatory authorities and all the other business associates of the Company for their confidence and support to its Management. They would also like to thank the Central and State Governments for their support. Your Company recognizes and appreciates the cooperation and support from its holding company Vedanta Limited.

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

**Sd/-**

**Akhilesh Joshi**  
**Chairman:**  
**DIN: 01920024**

Place: Udaipur

Date: 26th June 2026

**ANNEXURE 'A' TO BOARD'S REPORT**

**Additional information as required under Section 134(3)(m) read with Rule 8(3) of Companies (Accounts) Rules 2014.**

**A CONSERVATION OF ENERGY:**

a) Measures Taken

Measures Taken						
Sl. No.	Description of energy efficiency improvement measure	Investment (INR Million)	Verified Energy Savings	Units	Fuel	Remarks
1	Installation of Waste Heat Recovery in 45 MVA SAF, savings in reductant	38.11	2,256	Mwh/year	Coke, coal	Completed
2	Replacement of 100 nos LED High Bay lights at Agglomeration, Briquetting plants and RMHS conveyor belts by replacing old 125 watt MV lamps.	0.25	24,000	Kwh/year	Electricity	completed
3	Replacement of 1 no High Mast tower light by replacing 12 nos 800-watt HPMV lights by 12 nos Energy efficient LED flood lights at Agglo side	0.03	20,000	Kwh/year	Electricity	completed
4	Installation of VFD in Dryer-5 exhaust fan VFD.	0.03	20,000	Kwh/year	Electricity	completed
5	Installation of Lighting timer at various locations like crane bay, granulation plant, 33 MVA furnace building lights and streetlights to avoid unwanted energy consumption.	0.03	20,000	Kwh/year	Electricity	completed
6	Installation of 37 solar lights at mines	1.2	5,310	Kwh/year	Electricity	completed
7	Installation of 14 KVA Solar Panels at mines	1.5	54,081	Kwh/year	Electricity	completed
8	Energy Efficiency Improvement by Replacing Cooling Tower Fan Blades	1.4	95,630	Kwh/year	Electricity	completed
9	APH tube Replacement-Boiler 2	4.5	660	Mwh/year	Electricity	completed
10	Heat rate improvement of TG-2	33	0.23	Mt/Mwh	Improve in Specific steam consumption	completed

b) Additional investment and proposals if any being implemented for reduction of consumption of energy

Additional investment and proposals if any being implemented for reduction of consumption of energy						
Sl. No.	Description of energy efficiency improvement measure	Investment (INR Million)	Verified Energy Savings	Units	Fuel	Remarks
1	Replacement of FO with LPG	-	3,020	TCO2eq/year	Electricity	Ongoing

2	Installation of 60 KW solar panels	2.3	86,400	Kwh/year	Electricity	Planned for FY 27
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c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Measures Taken					
Sl. No.	Description of energy efficiency improvement measure	Investment (INR Million)	Verified Energy Savings	Units	Cost Savings (Inr Rs)
2	Replacement of 100 nos LED High bay lights at Agglomeration, Briquetting plants and RMHS conveyor belts by replacing old 125 watt MV lamps.	0.25	24,000	Kwh/year	1,08,000
3	Replacement of 1 no High Mast tower light by replacing 12 nos 800 watt HPMV lights by 12 nos Energy efficient LED flood lights at Agglo side.	0.03	20,000	Kwh/year	90,000
5	Installation of Lighting timer at various locations like crane bay, granulation plant, 33 MVA furnace building lights and street lights to avoid unwanted energy consumption.	0.03	20,000	Kwh/year	90,000
6	Installation of 37 solar lights at mines	1.2	5,310	Kwh/year	23,895
7	Installation of 14 KVA Solar Panels at mines	1.5	54,081	Kwh/year	2,43,365

Additional investment and proposals if any being implemented for reduction of consumption of energy					
Sl. No.	Description of energy efficiency improvement measure	Investment (INR Million)	Verified Energy Savings	Units	Cost Savings (Inr Rs)
1	Installation of 60 KW solar panels	2.3	86,400	Kwh/year	3,88,800
<b>Total Potential Savings</b>					<b>9,20,165</b>

Due to the implementation of energy conservation/efficiency projects on site & upcoming energy conservation measures, the cumulative potential cost savings would be approximately 9.50 lakhs.

- d) Total energy consumption and energy consumption per unit of production in prescribed form 'A'. Form 'A' is not applicable to Ferro Alloys Industry.

**B) TECHNOLOGY ABSORPTION:**

Research & Development (R&D):

- a) Specific areas in which R & D carried out by the company R&D in the operation of Ferro Chrome Production and manufacturing of briquettes is again a continuous process. Studies to recover

b)	Benefits derived as a result of the above R&D	the maximum entrapped metal from the discharged slag are in progress.
c)	Future Plan of action	(i) The Company is analysing and experimenting different methods of briquetting to cut down cost of production. (ii) Slag Utilisation and Waste Management.
d)	Expenditure on R&D	Recurring expenditure on R&D has been shown under respective heads of accounts in Profit & Loss Account.
e)	Technology absorption, adaptation and innovation:	
	i) Efforts, in brief, made towards technology absorption, adaptation and innovation.	Not applicable since no new technology has been adopted
	ii) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	Not applicable
	iii) Information regarding technology imported during last 5 years	No technology has been imported during the last five years.
2) Total Foreign Exchange used and earned : ₹ in crores		
	i) CIF value of imports (including Import of Capital Goods)	: 738.98
	ii) Expenditure in Foreign currency	: 2.98
	iii) foreign exchange earned on FOB basis	: 14.91

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

**Sd/-**  
**Akhilesh Joshi**  
**Chairman:**  
**DIN: 01920024**

Date: 26th June 2026

**DRAFT SECRETARIAL AUDIT REPORT<sup>1</sup>**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Board of Directors,  
**FERRO ALLOYS CORPORATION LIMITED**  
**(CIN: U45201OR1955PLC008400)**  
D P Nagar, Randia Bhadrak  
Orissa- 756135

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ferro Alloys Corporation Limited** (hereinafter called the “**Company**”) **which is an Unlisted Company**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the Company has, during the Audit Period covering the financial year ended March 31, 2026 (“**Audit Period**”) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the “Act”) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, to the extent applicable; and
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable during the Audit Period).

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<sup>1</sup> Subject to receipt of financial statements for the FY ended March 31, 2026.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, which needs to be further strengthened.

During the Audit Period, we are of the opinion that the Company needs to strengthen its compliance with the provisions of the Act, Rules, Regulations and the Guidelines to the extent applicable to it.

We note that the Company is engaged in the business of manufacturing and supply of high—quality Ferro Alloys. As informed by the Management, following laws are being specifically applicable to the Company:

- i. The Mines Act, 1952 and the Rules made thereunder;
- ii. The Mines and Minerals (Development and Regulation) Act, 1957 and the Rules made thereunder;
- iii. The Standards of Weights and Measures Act, 1976 and the Rules made thereunder;
- iv. Explosives Act, 1884 and the Rules made thereunder.

On test-check basis, we are of the view that the Company has a system to ensure compliance with the laws specifically applicable to it.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors including Women Director. Further, the changes in the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate and proper notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance other than those meetings which were held on shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, decisions at Board Meetings were carried out unanimously and therefore, no dissenting views were noticed while reviewing the minutes.

**We further report that** there are systems and processes which needs to be further strengthened in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, filing of e-forms with Ministry of Corporate Affairs, rules, regulations and guidelines.

**We further report that** during the Audit Period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc

- Board of directors at their meeting held on February 06, 2026 approved, subject to approval of shareholders and the Tribunal, the reduction of its share capital under Section 66 of the Companies Act, 2013 by extinguishing 1800 equity shares held by Balasore Alloys Limited in order to settle the minority issue with the said shareholder.

- Board of directors at their meeting held on June 27, 2025 and subsequently the members in their meeting held on June 30, 2025 approved, the re-appointment of Mr. Pankaj Kumar Sharma as Whole Time Director and Chief Executive Officer of the Company for a period of 2 years with effect from June 30,2025.

**For Sanjay Grover & Associates  
Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review Certificate No.: 7853/2026**

**New Delhi  
May 17, 2026**

**Anirudh Grover  
Partner  
M. No.: ACS 77442/ CP No. 28649  
UDIN: A077442H000385651**

## **Annexure-A to the Secretarial Audit Report**

To,  
The Board of Directors,  
**FERRO ALLOYS CORPORATION LIMITED**  
**(CIN: U45201OR1955PLC008400)**  
D P Nagar, Randia Bhadrak  
Orissa- 756135

Our Report of even date is to be read along with this letter

- a) Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards are the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Sanjay Grover & Associates**  
**Company Secretaries**  
**Firm Registration No.: P2001DE052900**  
**Peer Review Certificate No.: 7853/2026**

**Anirudh Grover**  
**Partner**  
**M. No.: ACS 77442/ CP No. 28649**  
**UDIN: A077442H000385651**

**New Delhi**  
**May 17, 2026**

ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR 2025-26

Annexure-C

1.	Brief outline on CSR Policy of the Company	<p>CSR PHILOSOPHY: FACOR has a well-established history and commitment to reinvest in the social good of our neighborhood communities and nation.</p> <p>CSR VISION: “Empowering communities, transforming lives and facilitating nation building through sustainable and inclusive growth.”</p> <p>We believe that:</p> <ul style="list-style-type: none"><li>• We can positively impact and contribute to the realization of integrated and inclusive development of the country, in partnership with National and State Government as well as local, national and international partners;</li><li>• Sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the communities we work with;</li><li>• Partnerships with government, corporates and civil societies/community institutions, offer a strong multiplier for complementing efforts, resources and to building sustainable solutions;</li></ul> <p><b>THEMATIC FOCUS AREAS:</b></p> <p>Our programs focus on poverty alleviation programs, especially integrated development, which impacts the overall socio-economic growth and empowerment of people, in line with baseline and need assessment, the national and international development agendas. The major thrust areas will be – a) Education b) Women’s Empowerment c) Health Care d) Drinking Water &amp; Sanitation e) Animal Welfare f) Development of Community Infrastructure and g) Hygiene Management. The Company is running all these projects in the name of FACOR viz. FACOR SATHI SIKSHA AMRUT, FACOR SATHI GAON KALYAN, FACOR SATHI NIRMAL PARIBESA, FACOR SATHI AROGAYA, FACOR SATHI PRAGATI, LAADLI PROJECT and FACOR SATHI PASHU KALYAN</p>
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2	Composition of CSR Committee			
	<b>Sl. No.</b>	<b>Name of Director</b>	<b>Designation / Nature of Directorship</b>	<b>Number of meetings of CSR Committee held during the year</b>
	1.	Mr. Akhilesh Joshi	Non-Executive Director and Chairman	2
	2.	Mr. AR Narayanaswamy	Independent Director and Member	2
	3.	Mr. Arun Misra	Non-Executive Director and member	2
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company		<a href="https://www.facorgroup.in/esg/csr/csr-committee">https://www.facorgroup.in/esg/csr/csr-committee</a> <a href="https://www.facorgroup.in/esg/csr/csr-projects">https://www.facorgroup.in/esg/csr/csr-projects</a> <a href="https://www.facorgroup.in/wp-content/uploads/2022/03/CSR-Policy">https://www.facorgroup.in/wp-content/uploads/2022/03/CSR-Policy</a>	
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).		Not applicable	
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any			
	<b>Sl. No.</b>	<b>Financial Year</b>	<b>Amount available for set-off from preceding financial years (in Rs)</b>	<b>Amount required to be set-off for the financial year, if any (in Rs)</b>
	1.	2024-25	501,251	167,084
6	Average net profit of the company as per section 135(5).		46,17,04,410	
7	(a) Two percent of average net profit of the company as per section 135(5)		92,34,088	
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.		0.00	
	(c) Amount required to be set off for the financial year, if any		167,084	
	(d) Total CSR obligation for the financial year (7a+7b-7c).		90,67,005	

8	(a) CSR amount spent or unspent for the financial year:									
	Total Amount Spent for the Financial Year 2026. (in Rs.)		Amount Unspent (in Rs.)							
			Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).				
	1,15,50,805		Amount.	Date of transfer.		Name of the Fund	Amount.	Date of transfer.		
NA										
(b) Details of CSR amount spent against ongoing projects for the financial year: <b>No ongoing projects</b>										
(c) Details of CSR amount spent against other than ongoing projects for the financial year:										
-1	-2	-3	-4	-5		-6	-7	-8		
Sl. No.	Name of the Project	Item from List of activities in schedule VII to the Act.	Local Area (Yes/No).	Location of the Project.		Amount Spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.		
				State.	District.			Name.	CSR registration number.	
1	FACOR Sathi Arogaya	(i) Promoting healthcare	Yes	Odisha	Jajpur, Dhenkanal, Bhadrak	2352265.2	Yes			
2	FACOR Sathi Arogaya	(i) Promoting healthcare	Yes	Odisha	Jajpur, Dhenkanal, Bhadrak	942000	No	Parivartan Samaj Vikas Samiti	CSR00024359	
3	FACOR Sathi Pragati	(iii) Empowering women	Yes	Odisha	Jajpur, Bhadrak	600214.96	No	Parivartan Samaj Vikas Samiti	CSR00024359	

4	FACOR Sathi Shiksha Amrit	(ii) Promoting Education	Yes	Odisha	Jajpur, Dhenkanal	3181987.64	No	Parivartan Samaj Vikas Samiti	CSR00024359
5	Project Laadli	(iii) Promoting Gender Equality	Yes	Odisha	Jajpur, Dhenkanal	386890.42	No	Parivartan Samaj Vikas Samiti	CSR00024359
6	FACOR Sathi Nirmal Paribesa	(i) safe Drinking water & sanitation	Yes	Odisha	Jajpur, Dhenkanal, Bhadrak	2663057.12	Yes	-	-
7	FACOR Sathi Gaon Kalyan	(xi) Rural development	Yes	Odisha	Jajpur, Dhenkanal, Bhadrak	633632.6	Yes	-	-
8	FACOR Sathi Pashukalyan	(iv) Animal Welfare	Yes	Odisha	Bhadrak	313509.53	No	Parivartan Samaj Vikas Samiti	CSR00024359
(d) Amount spent in Administrative Overheads						₹ 4,77,247.37			
(e) Amount spent on Impact Assessment, if applicable						NA			
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)						₹ 1,15,50,805			
(g) Excess amount for set off, if any									
<b>Sl. No.</b>	<b>Particular</b>					<b>Amount (in ₹)</b>			
(i)	Two percent of average net profit of the company as per section 135(5)					90,67,005			
(ii)	Total amount spent for the Financial Year					1,15,50,805			
(iii)	Excess amount spent for the financial year [(ii)-(i)]					24,83,800			
(iv)	Surplus arising out of the CSR projects or					NIL			

	programmes or activities of the previous financial years, if any		
	(v) Amount available for set off in succeeding financial years [(iii)-(iv)]	26,83,232	
9	(a) Details of Unspent CSR amount for the preceding three financial years: <b>0.00</b>		
	(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): <b>No such projects</b>		
10	<p>In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year</p> <p><b>(asset-wise details).</b></p> <p>(a) Date of creation or acquisition of the capital asset(s).</p> <p>(b) Amount of CSR spent for creation or acquisition of capital asset.</p> <p>(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.</p> <p>(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).</p>	<b>No capital asset created</b>	
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	NA	

<p>Pankaj Kumar Sharma (Whole Time Director) DIN: 10213819 Date: 16<sup>th</sup> April 2026</p>	<p>Akhilesh Joshi (Chairman CSR Committee) DIN: 01920024 Date: 16<sup>th</sup> April 2026</p>
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**ANNEXURE 'D' TO BOARD'S REPORT**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length on a basis- **NIL**

<b>S. No.</b>	<b>Particulars/</b>	<b>Details</b>
1	Name (s) of the re/lated party & nature of relationship	
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions'	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions on an Arm's length basis.

Amt. in Crores

S. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/transaction	Duration of the contracts/ arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board/Audit Committee	Amount paid as advances, if any
1.	Vedanta Ltd (Holding Company)	Loan Agreement	15 <sup>th</sup> April 2025 to 31 <sup>st</sup> March 2026	Interest <a href="#">Rate@9.35%</a>	17 <sup>th</sup> April 2025	No
2.	ESL Steel Limited (Fellow Subsidiary)	Sale of goods (High Carbon Ferrochrome)	2025-26	Sale of High Carbon Ferrochrome in normal course of business through purchase order basis. Total sales made this year Rs.8.95 crores.	Audit Committee approved on 28-03.2025	No
3	Vedanta Aluminium Jharsuguda (Holding Company)	Sale of goods/services	2025-26	Power sold through exchange. Total sales made this year Rs.37.89 crores	Audit Committee approved on 16-10.2025	No

Note: We are not giving details of all other related party transactions, except transactions listed above, viz. sale/purchase of fixed assets (on WDV), reimbursement of expenses etc. which are on arm's length basis and in normal course of business and approved by the Audit Committee/Board.

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

**Sd/-**

**Akhilesh Joshi**

**Chairman:**

**DIN: 01920024**

Date: 26th June 2026

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Ferro Alloys Corporation Limited

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

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section 11 of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 of the Act, read with Schedule V thereto.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 44 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 55 (x) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 55 (xi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective years, as stated in Note 53 to the financial statements.

For **S.R. Batliboi & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

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**per Amit Chugh**

Partner

Membership Number: 505224

UDIN: 26505224QJLUFY9825

Place of Signature: Gurugram

Date: April 22, 2026

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF Ferro Alloys Corporation Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Ferro Alloys Corporation Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

### **Meaning of Internal Financial Controls With Reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

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

### **Opinion**

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

For **S.R. Batliboi & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

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**per Amit Chugh**

Partner

Membership Number: 505224

UDIN: 26505224QJLUFY9825

Place of Signature: Gurugram

Date: April 22, 2026

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

**Re: Ferro Alloys Corporation Limited (“the Company”)**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets as reflected in the financial statements.
- (b) Property, plant and equipment were physically verified by the management during the year ended March 31, 2024 in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of 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 note 3 to the financial statements included in property, plant and equipment are held in the name of the Company. Certain title deeds of the immovable properties, in the nature of freehold land, as indicated in the below mentioned cases which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal’s (NCLT) Order dated November 15, 2022, are not individually held in the name of the Company. This matter has been disclosed in note 3 (b) to the financial statements.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying Value as at 31 March 2026 (Amount Rs. in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Freehold land	0.07	FACOR Power Limited (“FPL”) (Now merged with the Company)	No	27-Aug-07	Held in the name of erstwhile transferor company (FPL) which was amalgamated with the Company through approved Scheme.

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Chartered Accountants

- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2026.
  - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verification.
- (b) As disclosed in note 21 and note 55 (xiii) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) During the year, the Company has not made investments in or provided loans or advances in the nature of loans secured or unsecured, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) to (f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, related to the manufacture of high carbon ferro chrome and generation of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales tax, value added tax, excise duty and service tax are not applicable to the Company.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute are listed below:

Name of the statute	Nature of dues	(Net of the amount paid under protest/ Adjusted against refund) (Amount ₹ in crores)	Financial year to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.46	FY 2015-16	Income Tax Officer
Income Tax Act, 1961	Income Tax	0.05	F.Y.2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2.31	F.Y.2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.06	F.Y.2019-20	Commissioner of Income Tax (Appeals)
Customs Act, 1962	Custom duty	0.33	F.Y.2012-13	CESTAT
Income Tax Act, 1961	Income Tax	0.02	F.Y.2016-17	Income Tax Officer
Income Tax Act, 1961	Income Tax	0.12	FY 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.23	FY 2021-22	Commissioner of Income Tax (Appeals)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.

# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e)&(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud/ material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-section 12 of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group. Hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

- (xvii) The Company has not incurred cash losses in the current year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to Sub-section 5 of Section 135 of the Act. This matter has been disclosed in note 49 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of Sub-section 6 of Section 135 of the Act. This matter has been disclosed in note 49 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/-

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**Per Amit Chugh**

Partner

Membership No: 505224

UDIN: 26505224QJLUFY9825

Place: Gurugram

Date: April 22, 2026

(₹ In Crores)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	916.88	928.88
Capital work-in-progress	4 (a)	1,130.10	222.82
Intangible assets	5	22.92	15.37
Stripping assets	4 (b)	12.78	33.29
Financial assets			
Investments	6	0.00	0.17
Other financial assets	7	13.44	12.55
Deferred tax assets	8	23.47	52.00
Other non-current assets	9	106.95	232.06
<b>Total non-current assets</b>		<b>2,226.54</b>	<b>1,497.14</b>
<b>Current assets</b>			
Inventories	10	77.30	70.89
Financial assets			
Investments	6	7.02	13.02
Trade receivables	11	3.04	3.59
Cash and cash equivalents	12	15.71	9.48
Other bank balances	13	67.00	93.50
Loans	14	0.08	0.02
Derivatives	15	-	0.33
Other financial assets	16	2.77	5.37
Current tax assets (net)	17	5.23	4.16
Other current assets	18	57.85	57.03
<b>Total current assets</b>		<b>236.00</b>	<b>257.39</b>
Assets held for sale	4 (b)	0.01	0.01
<b>Total assets</b>		<b>2,462.55</b>	<b>1,754.54</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	34.00	34.00
Other equity	20	1,109.33	1,025.84
<b>Total equity</b>		<b>1,143.33</b>	<b>1,059.84</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Financial liabilities			
Borrowings	21 (A)	-	300.00
Lease liabilities	22	3.60	5.31
Other financial liabilities	23	111.26	-
Provisions	24	10.39	8.22
Other non-current liabilities	25	65.58	-
<b>Total non-current liabilities</b>		<b>190.83</b>	<b>313.54</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21 (B)	407.25	20.75
Lease liabilities	22	1.80	1.80
Operational buyer's/ supplier's credit	26	208.43	165.70
Trade payables	27		
Total outstanding dues of micro and small enterprises		25.66	20.16
Total outstanding dues other than micro and small enterprises		95.40	59.58
Derivatives	28	2.69	-
Other financial liabilities	29	360.60	95.91
Other current liabilities	30	20.83	12.99
Provisions	24	5.73	4.27
<b>Total current liabilities</b>		<b>1,128.39</b>	<b>381.16</b>
<b>Total liabilities</b>		<b>1,319.22</b>	<b>694.70</b>
<b>Total equity and liabilities</b>		<b>2,462.55</b>	<b>1,754.54</b>

The accompanying notes form an integral part of the financial statements

As per our report on even date

For and on behalf of the Board of Ferro Alloys Corporation Limited

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(ICAI Firm's Regn.No.301003E / E300005)

**Pankaj Kumar Sharma**  
Chief Executive Officer and  
Whole Time Director  
(DIN 10213819)  
Place : Bhadrak  
Date : 22 April 2026

**A R Narayanaswamy**  
Director  
(DIN 00818169)  
Place : Mumbai  
Date : 22 April 2026

**per Amit Chugh**  
Partner  
(ICAI Membership No. 505224)  
Place : Gurugram  
Date : 22 April 2026

**Prashuk Jain**  
Chief Financial Officer  
Place : Bhadrak  
Date : 22 April 2026

**Sambit Kumar Sarangi**  
Company Secretary  
(ICSI Membership No.111105)  
Place : Bhadrak  
Date : 22 April 2026

Particulars	Note	(₹ In Crores)	
		Year ended 31 March 2026	Year ended 31 March 2025
<b>Revenue</b>			
Revenue from operations	31	1,093.56	929.92
Other operating income	32	5.30	3.90
<b>Total revenue</b>		<b>1,098.86</b>	<b>933.82</b>
Other income	33	14.09	20.65
<b>Total income</b>		<b>1,112.95</b>	<b>954.47</b>
<b>Expenses</b>			
Cost of materials consumed	34	296.98	382.91
Changes in inventories of finished goods and work in progress	35	3.00	(3.62)
Employee benefits expense	36	64.80	58.44
Finance costs	37	12.15	15.06
Depreciation and amortization expense	38	69.99	47.34
Power & fuel charges	39	192.52	171.42
Other expenses	40	351.60	287.90
<b>Total expenses</b>		<b>991.04</b>	<b>959.45</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>121.91</b>	<b>(4.98)</b>
Exceptional items	41	1.91	-
<b>Profit/ (Loss) before tax</b>		<b>120.00</b>	<b>(4.98)</b>
<b>Tax expenses</b>	42		
Adjustment of tax relating to earlier years		0.03	0.01
Deferred tax		30.06	1.14
Deferred tax on exceptional item		0.48	-
<b>Profit/ (Loss) for the year (A)</b>		<b>89.43</b>	<b>(6.13)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement losses of defined benefit plans		(0.94)	(3.07)
Gain/ (Loss) on FVTOCI equity instrument		0.01	(0.19)
Income tax effect on items that will not be reclassified to profit or loss		0.24	0.80
<b>Total other comprehensive loss for the year (B)</b>		<b>(0.69)</b>	<b>(2.46)</b>
<b>Total comprehensive income/ (loss) for the year (A + B)</b>		<b>88.74</b>	<b>(8.59)</b>
<b>Earnings per equity share of face value of ₹ 1/- each</b>	43		
Basic		2.63	(0.18)
Diluted		2.63	(0.18)

The accompanying notes form an integral part of the financial statements

As per our report on even date

For and on behalf of the Board of Ferro Alloys Corporation Limited

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(ICAI Firm's Regn.No.301003E / E300005)

**Pankaj Kumar Sharma**  
Chief Executive Officer and  
Whole Time Director  
(DIN 10213819)  
Place : Bhadrak  
Date : 22 April 2026

**A R Narayanaswamy**  
Director  
(DIN 00818169)  
Place : Mumbai  
Date : 22 April 2026

**per Amit Chugh**  
Partner  
(ICAI Membership No. 505224)  
Place : Gurugram  
Date : 22 April 2026

**Prashuk Jain**  
Chief Financial Officer  
Place : Bhadrak  
Date : 22 April 2026

**Sambit Kumar Sarangi**  
Company Secretary  
(ICSI Membership No.11105)  
Place : Bhadrak  
Date : 22 April 2026

Sl. No.	Particulars	(₹ In Crores)	
		Year Ended 31 March 2026	Year Ended 31 March 2025
<b>A</b>	<b><u>Cash flows from operating activities</u></b>		
	Profit/ (loss) before tax	120.00	(4.98)
	<b>Adjustments for:</b>		
	Interest income	(1.20)	(1.82)
	Interest on income tax refund	(0.16)	(5.12)
	Net foreign exchange differences (unrealised)	21.07	-
	Fair value loss/ (gain) on derivatives measured at FVTPL	3.02	(0.33)
	Provision for doubtful advances	0.18	0.06
	Depreciation and amortization expense	69.99	47.34
	Interest expense	10.50	12.66
	Gain on sale of investments	(0.68)	(0.98)
	Loss on sale of property, plant and equipment	0.21	0.13
	<b>Operating profit before working capital changes</b>	<b>222.93</b>	<b>46.96</b>
	<b>Changes in working capital</b>		
	Increase/ (decrease) in trade payables	41.33	(46.67)
	Increase in other current liabilities	7.84	2.97
	(Decrease) in other current financial liabilities	(1.16)	(1.05)
	Increase in operational buyer's/ supplier's credit	35.41	55.71
	Increase/ (decrease) in provisions	2.47	(2.22)
	(Increase)/ decrease in non current financial assets	(0.78)	7.06
	(Increase)/ decrease in other non current assets	(0.07)	0.31
	Decrease in other current financial assets	0.80	0.23
	(Increase)/ decrease in inventories	(6.41)	29.13
	Decrease in trade receivables	0.54	38.06
	(Increase) in other current assets	(0.99)	(23.00)
	<b>Cash generated from operations</b>	<b>301.91</b>	<b>107.49</b>
	Add: Income tax (paid)/refund (net)	(1.10)	37.05
	<b>Net cash generated from operating activities (A)</b>	<b>300.81</b>	<b>144.54</b>
<b>B</b>	<b><u>Cash flow from investing activities:</u></b>		
	Purchase of property, plant and equipment (including intangibles, capital work in progress, capital advances and capital creditors)	(394.73)	(225.97)
	Net proceeds from sale of property, plant and equipment	0.03	0.16
	Interest received	3.10	7.13
	Net movement in investments	6.84	0.52
	Investments in bank deposits	-	(70.29)
	Proceeds from maturity/ redemption of bank deposits	26.38	-
	<b>Net cash (used in) investing activities (B)</b>	<b>(358.38)</b>	<b>(288.45)</b>
<b>C</b>	<b><u>Cash flow from financing activities:</u></b>		
	Proceeds from long term borrowings	-	195.00
	Proceeds from short term borrowings	131.80	24.75
	Repayment of long term borrowings	-	(20.00)
	Repayment of short term borrowings	(45.30)	(32.58)
	Payment towards employee stock option scheme	(7.02)	-
	Interest Paid	(13.39)	(16.51)
	Principal payment of lease liabilities	(1.71)	(1.54)
	Interest payment of lease liabilities	(0.58)	(0.71)
	<b>Net cash from financing activities (C)</b>	<b>63.80</b>	<b>148.41</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>6.22</b>	<b>4.49</b>
	Cash and cash equivalents at the beginning of the year	9.48	4.99
	<b>Cash and cash equivalents at the end of the year</b>	<b>15.71</b>	<b>9.48</b>
	<b>Components of cash and cash equivalents (refer note 12)</b>		
	<b>Balance with banks</b>		
	On current account	2.46	2.48
	Fixed deposits with original maturity of upto 3 months	13.25	7.00
		<b>15.71</b>	<b>9.48</b>

**Note:-**

1. The above cash flow has been prepared under "Indirect method" as set out in Indian Accounting Standard (Ind AS -7) Statement of Cash Flows.
2. Net cash flow from operating activities includes amount spent in cash towards corporate social responsibility of ₹ 1.16 crores (31 March 2025 : ₹ 2.90 crores)
3. The figures in parenthesis indicate outflow.

**4. Reconciliation of liabilities from financing activities:**

**For the year ended 31 March 2026**

Particulars	As at 31 March 2025	Cash flows	Non-cash changes	As at 31 March 2026
Lease liabilities	7.11	(1.71)	-	5.40
Current borrowings*	20.75	86.50	300.00	407.25
Non current borrowings*	300.00	-	(300.00)	-

\*Current maturities of long-term debts has been reclassified to current borrowings from non current borrowings

**For the year ended 31 March 2025**

Particulars	As at 31 March 2024	Cash flows	Non-cash changes	As at 31 March 2025
Lease liabilities	5.15	(1.54)	3.50	7.11
Current borrowings	28.59	(7.84)	-	20.75
Non- current borrowings	125.00	175.00	-	300.00

**4. Non cash investing transactions:**

	Year ended 31 March 2026	Year ended 31 March 2025
Acquisition of property, plant and equipment by means of right of use assets	-	3.50
	-	3.50

The accompanying notes form an integral part of the financial statements

As per our report on even date

For and on behalf of the Board of Ferro Alloys Corporation Limited

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
(ICAI Firm's Regn.No.301003E/ E300005)

**Pankaj Kumar Sharma**  
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Place : Bhadrak  
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**per Amit Chugh**  
Partner  
(ICAI Membership No. 505224)

**Prashuk Jain**  
Chief Financial Officer  
Place : Bhadrak  
Date : 22 April 2026

**Sambit Kumar Sarangi**  
Company Secretary  
(ICSI Membership No.11105)  
Place : Bhadrak  
Date : 22 April 2026

(a) Equity share capital

Equity shares of ₹ 1 each issued, subscribed and fully paid As at 31 March 2026 and 31 March 2025	<u>No of shares (Crores)</u>	<u>Amount (₹ In Crores)</u>
	34.00	34.00

(b) Other equity

Particulars	Reserves & Surplus				Items of OCI	Total
	Capital reserve	General reserve	Retained earnings	Equity portion of borrowings	Fair value gain/ (loss) on equity instrument measured at FVTOCI	
<b>Balance at 01 April 2024</b>	<b>1,161.37</b>	<b>192.00</b>	<b>(310.66)</b>	<b>2.77</b>	<b>0.06</b>	<b>1,045.54</b>
Recognition of deferred tax liability	-	-	(11.11)	-	-	(11.11)
Loss for the year	-	-	(6.13)	-	-	(6.13)
Other comprehensive (loss) for the year	-	-	(2.27)	-	(0.19)	(2.46)
<b>Balance at 31 March 2025</b>	<b>1,161.37</b>	<b>192.00</b>	<b>(330.17)</b>	<b>2.77</b>	<b>(0.13)</b>	<b>1,025.84</b>
Profit for the year	-	-	89.43	-	-	89.43
Other comprehensive (loss) for the year	-	-	(0.70)	-	0.01	(0.69)
Payment towards employee stock option scheme (refer note 36)	-	-	(5.25)	-	-	(5.25)
Fair value loss on equity instruments measured at FVTOCI transferred from OCI to retained earnings upon its disposal	-	-	(0.12)	-	0.12	-
<b>Balance at 31 March 2026</b>	<b>1,161.37</b>	<b>192.00</b>	<b>(246.81)</b>	<b>2.77</b>	<b>-</b>	<b>1,109.33</b>

The accompanying notes form an integral part of the financial statements

As per our report on even date

For and on behalf of the Board of Ferro Alloys Corporation Limited

**For S.R. Batliboi & Co. LLP**  
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(ICSI Membership No.11105)  
Place : Bhadrak  
Date : 22 April 2026

## 1 Company overview- (Corporate Information)

Ferro Alloys Corporation Limited referred to as “FACOR” or “the Company” is domiciled in India. The Company’s registered office is at D.P Nagar, Randia, Dist. Bhadrak, Odisha – 756135.

FACOR which is one of the India’s largest producers and exporters of Ferro Alloys, an essential ingredient for manufacture of Steel and Stainless Steel is also engaged in Chrome Ore exploration, mining, and beneficiation in the state of Odisha.

The financial statements are approved for issue by the Board of Directors on 22 April 2026.

## 2.A Material Accounting Policies

This note provides a list of material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.A.1 Basis of preparation

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

The financial statements are presented in INR, which is also the Company’s functional currency, and all values are rounded to the nearest crores (INR 00,00,000) except when otherwise indicated. Amounts less than ₹ 0.50 lakh have been presented as “0.00”.

- (ii) Certain comparative figures appearing in these financial statements have been regrouped and/or reclassified to better reflect the nature of those items.

### 2.A.2 Basis of measurement

- (i) The Financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
- Certain financial assets and liabilities (including derivative instruments) measured at fair value
  - Defined benefit liability/ assets: fair value of plan assets less present value of defined benefit obligation
- (ii) The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

## 2.B Summary of material accounting policies information

### A. Revenue recognition

- a) Sale of goods- The Company’s revenue from contracts with customers is mainly from the sale of ferro alloy. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/goods and service tax and other indirect taxes. Revenues from sale of by products are included in revenue.
- b) Interest income is recognized using the Effective Interest Rate (‘EIR’) method.
- c) Export Incentives are recognised as per schemes specified in foreign Trade Policy, as amended from time to time on accrual basis when right to receive is established and are accounted to the extent there is no uncertainty about its ultimate collection.
- d) Dividend income is recognised in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### B Property, plant, and equipment:

#### a) Mining properties and leases

When a decision is taken that a mining property is viable for commercial production (i.e., when the Company determines that the mining property will provide sufficient and sustainable return relating to the risks and the Company decides to proceed with the mine development), all further pre-production primary development expenditure other than that on land, buildings, plant, equipment and capital work in progress is capitalized as property, plant and equipment under the heading “Mining properties and leases”. The costs of mining properties and leases, include the costs of acquiring and developing mining properties and mineral rights.

In circumstances where a mining property is abandoned, the cumulative capitalised costs relating to the property are written off in the period in which it occurs i.e. when the Company determines that the mining property will not provide sufficient and sustainable returns relating to the risks and the Company decides not to proceed with the mine development.

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#### b) Other property, plant and equipment

Items of other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price including import duties and non-refundable purchase taxes, and any directly attributable cost of bringing the assets to working condition and location for its intended use including borrowing cost and incidental expenditure during construction incurred up to the date when the assets are ready to use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

For transition to Ind AS, the Company had elected to continue with fair value of all the property, plant and equipment recognised as on 1 April 2016 (transition date).

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate item (major components) of property, plant, and equipment. Major inspection and overhaul expenditure is capitalised if the recognition criteria are met. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains and losses on disposal of an item of property, plant and equipment is included in the statement of profit and loss when the asset is derecognised. Major inspection and overhaul expenditure is capitalized, if the recognition criteria are met.

#### c) Assets under construction

Capital work-in-progress includes cost of assets at sites, construction expenditure and interest on the funds deployed. At the point when an asset is capable of operating in the manner intended by the management, the cost of construction is transferred to the appropriate category of property, plant, and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

#### d) Depreciation, depletion and amortisation expenses

Mining properties and other assets in the course of development or construction and freehold land are not depreciated or amortised.

Depreciation on other property, plant and equipment is provided on the basis of 'straight line method over the useful life of assets after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life are evaluated by the technical management based on historical experience. External valuers are involved, wherever required .

Depreciation methods, useful lives and residual values are reviewed at each financial year end and if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

#### Estimated useful life (in years) of assets are as follows:

Assets	Useful life (in years)
Buildings	3 to 60 years
Plant and equipment	10 to 40 years
Office equipment	3 to 10 years
Roads and drains	30 to 60 years
Railway Sidings	5 to 15 years
Furniture and fixtures	8 to 10 years
Vehicles	6 to 10 years

Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, the Company determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Company's buildings and office properties.

#### C Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life on a straight line basis. Software is amortised over the estimated useful life ranging from 2-5 years. Amounts paid for securing mining rights are amortised over the period of the mining lease ranging from 5-17 years.

Gains or losses arising from derecognition of an intangible asset are recognised in the statement of profit and loss when the asset is derecognised.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

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**Other mining assets** - Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred. Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as other mining assets (intangible assets) and stated at cost less amortisation and impairment, if any.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

- Acquisition costs - costs associated with acquisition of licenses and rights to explore, including related professional fees.
- General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defence clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.
- Costs of exploration drilling and equipping exploration and appraisal wells.

#### D Stripping Assets

The stripping cost incurred during the production phase of a surface mine is deferred to the extent the current period stripping cost exceeds the average period stripping cost over the life of mine and recognised as an asset if such cost provides a benefit in terms of improved access to ore in future periods and certain criteria are met. When the benefit from the stripping costs are realised in the current period, the stripping costs are accounted for as the cost of inventory. If the costs of inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. The Company uses the expected volume of waste compared with the actual volume of waste extracted for a given value of ore/mineral production for the purpose of determining the cost of the stripping activity asset.

Deferred stripping costs are disclosed separately as stripping assets. After initial recognition, the stripping activity asset is depreciated on a unit of production method over the expected useful life of the identified component of the ore body.

Commercial reserves are proved and probable reserves as defined by the 'JORC' Code, 'MORC' code or 'SAMREC' Code. Changes in the commercial reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.

#### E Non-current assets held for sale

Non-current assets classified as held for sale are not depreciated or amortized while they are classified as held for sale and are measured at the lower of carrying amount and fair value less costs to sell. Such assets and disposal groups are presented separately on the face of the balance sheet.

#### F Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units.

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. Internal and external factors, such as worse economic performance than expected, changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

#### G Financial instruments

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 at amortised cost**

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in statement of profit and loss. The losses arising from impairment are recognised in statement of profit and loss.

#### Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

#### Assessments whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognized in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to statement of profit and loss. Interest earned whilst holding fair value through other comprehensive income debt instrument is reported as interest income using the EIR method.

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

- **Financial assets at fair value through profit or loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument at FVTPL.

An equity instrument in the scope of Ind AS 109 is measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

**(i) Impairment of financial assets**

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

a) Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.

b) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

**(ii) Financial liabilities – Recognition and Subsequent measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value, and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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

- **Financial liabilities at fair value through profit or loss**

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

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to income statement. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability at fair value through profit or loss.

Further, the provisionally priced trade payables are marked to market using the relevant forward prices for the future period specified in the contract.

- **Financial liabilities at amortised cost (Loans, Borrowings and Trade and Other payables)**

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

- (iii) **Financial liabilities - Derecognition**

When a new financial liability is recognised in place of an existing one, the difference in the respective carrying amounts is recognised in the statement of profit and loss.

- (iv) **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution with respect to interim dividend is authorised when it is approved by the board of directors of the Company and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## H Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

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

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

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

- (i) **Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

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

- (ii) **Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

## I 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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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.

## J Leases

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

At inception or on reassessment of an arrangement that contains lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

### Company as a lessee

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

#### (i) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### (ii) Short-term leases and leases of low-value assets

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

## K Inventories

Raw material, stores and spares and work in progress are valued at cost. Raw materials including stores and spares are valued on a weighted average basis. Finished products are valued at cost or net realisable value whichever is lower. Cost includes raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a weighted average basis.

Scraps are valued at net realisable value. Net realisable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

## L Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

## M Foreign currency transactions

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. For all principal businesses of the Company, the functional currency is Indian rupee (₹). The financial statements are presented in Indian rupee (₹).

(a) In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

(b) Monetary assets and liabilities denominated in foreign currencies outstanding at the year end, are translated into functional currency at exchange rates applicable on reporting date.

(c) Non-monetary assets and liabilities denominated in foreign currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

(d) All exchange differences are included in the statement of profit and loss.

(e) The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## N Employee benefits

### i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### ii) Defined contribution plans

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Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Company has following defined contribution plans:

- a) Provident Fund
- b) Superannuation Fund

**iii) Defined benefit plans**

The Company has only one Defined benefit plan - Gratuity. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount, and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income and are not recycled to the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset at the beginning of the year. Defined benefit costs are split into current service cost, past service cost, net interest expense or income and rereasurement and gains and losses on curtailments and settlements. Current service cost and past service cost are recognised within employee benefit expense. Net interest expense or income is recognized within finance costs.

**iv) Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

The Company has following long term employment benefit plans:

**Leave encashment.**

Leave encashment is payable to eligible employees at the time of retirement. Accumulated leaves expected to be carried forward beyond twelve months, are considered as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

**Share-based payments**

Certain employees (including executive directors) of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of equity-settled transactions with employees is measured at fair value of share awards at the date at which they are granted. The fair value of share awards is determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations. The resultant increase in equity is recorded in share based payment reserve. In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer.

**O Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use.

Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

**P Income tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income

**i) Current tax**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

## ii) Deferred tax

Subject to the exceptions below, deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and on carry forward of unused tax credits and unused tax losses:

deferred income tax is not recognised on initial recognition of an asset or liability in a transaction that (i) is not a business combination;

(ii) at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss); and

(iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences; and

deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

Further, management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

## Q Provisions, contingent liabilities, and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate

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

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

## R Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that is readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## S Buyer's credit/ Vendor financing

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the balance sheet. Where these arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet.

Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an operating cash outflow reflecting the substance of the

## T Exceptional Items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Also, tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

## U Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

**V Current and non-current classification**

The classification of assets and liabilities in the balance sheet as current / non current has been done on the basis of normal operating cycle of the Company which is 12 months.

**W Events occurring after the balance sheet date.**

All material events occurring after the balance sheet date up to the date of consideration of financial statements by the Board of Directors i.e. 22 April 2026, have been considered, disclosed or adjusted, wherever applicable, as per the requirements of Ind AS 10 – Events after the Reporting Period.

## 2.C Application of new and amended standards

**2.C.A** The Company has adopted, with effect from 01 April 2025, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the financial statements.

1. Ind AS 1 Presentation of Financial Statements: The amendments specify that liabilities must be classified based on the entity's right to defer settlement as on the reporting date and includes settlement by equity options in the definition of settlement unless the option is classified as an equity component of a compound financial instrument. Further, these amendments require disclosure on non-current liabilities that could become repayable within twelve months after the reporting period. Effective 1 April 2026, these amendments also require the liability to be classified as current even if the lender agrees to waive off the breach before the approval of the financial statements but after the reporting date.
2. Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures: The amendments to Ind AS 7 and Ind AS 107 require additional disclosures on supply chain finance arrangements and how these arrangements affect liabilities, cash flows, and liquidity risk.
3. Ind AS 12 Income Taxes: The amendments include Pillar Two Income taxes in its scope and removes the requirement to recognize or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments requires enhanced disclosures about an entity's exposure to Pillar Two income taxes.
4. Ind AS 21 The Effects of Changes in Foreign Exchange Rates : The amendments specify how an entity should determine an exchange rate when exchangeability is lacking and also require disclosure of information of how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.
5. Minor amendments (Ind AS 10, 115, and 116): Changes have been made to correct technical inconsistencies, update paragraph references, and align them with international practices.

### 2.C.B Standards notified but not yet effective

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

#### (i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver—granted before the financial statements were approved for issue—of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event .

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

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

## 2.D Significant accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

### A Significant estimates

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

#### i) Recoverability of deferred tax assets

The Company has carry forward tax losses and unabsorbed depreciation that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilized. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and a consequential impact in the statement of profit and loss.

#### ii) Gratuity benefit and leave encashment

The cost of defined benefit plans (i.e. Gratuity benefit and leave encashment) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future salary increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 47.

**iii) Impairment of financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. the Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### iv) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

#### v) Useful life of property, plant & equipment and intangible assets

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

#### vi) Ore reserves

The Company's gross reserve estimates are updated annually based on the forecast of production profiles, using reasonable prospects for eventual economic extraction, by applying appropriate technical and economic assumptions. The estimates of Mineral resources and Ore reserves have been derived in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves, the Joint Ore Reserves Committee Code, 2012 Edition ("JORC"). The changes to the reserves are generally on account of future development projects. The Ore Reserves are reported with demonstrated technical and economic viability supported by sufficient technical assessment and operational history where appropriate.

### B Significant judgement

#### i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A provision is recognised when the Company has a present obligation as a result of past events and it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

#### ii) Climate related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment: When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- Impairment of non-financial assets: The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Company's products. The Company has concluded that no climate-related assumption will have impact on FY 2025-26 test of impairment.

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- Leases: Whether an arrangement contains a lease
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

*(This space has been intentionally left blank)*

3. Property, plant and equipment

(₹ In Crores)

Particulars	ROU assets- Leasehold land	ROU assets- Plant & Equipment	Freehold land	Buildings	Roads & Drains	Railways Siding	Plant and Equipment	Office equipments	Furniture and Fixtures	Vehicles	Total
<b>Gross block at cost or deemed cost</b>											
As at 01 April 2024	3.83	-	113.62	175.18	8.54	26.96	854.80	7.76	2.25	1.75	1,194.69
Additions	-	3.50	-	6.54	-	-	20.00	0.93	0.30	0.50	31.77
Disposals/ adjustments	-	-	-	0.04	-	-	0.42	0.19	0.01	0.30	0.96
As at 31 March 2025	3.83	3.50	113.62	181.68	8.54	26.96	874.38	8.51	2.54	1.95	1,225.50
Additions	-	-	0.25	5.77	0.45	-	20.53	1.27	0.20	-	28.46
Disposals/ adjustments	-	-	-	0.01	-	-	0.21	0.12	0.02	0.11	0.47
As at 31 March 2026	3.83	3.50	113.87	187.44	8.99	26.96	894.70	9.66	2.72	1.84	1,253.49
<b>Depreciation</b>											
As at 01 April 2024	0.45	-	-	43.75	6.78	17.63	186.34	3.54	0.87	1.07	260.43
Depreciation charge for the year	0.05	0.71	-	5.84	0.06	1.64	27.35	0.93	0.17	0.10	36.85
Disposals/ adjustments	-	-	-	0.03	-	-	0.26	0.12	-	0.26	0.67
As at 31 March 2025	0.50	0.71	-	49.56	6.84	19.27	213.42	4.35	1.04	0.91	296.61
Depreciation charge for the year	0.05	0.71	-	6.35	0.09	1.64	29.98	1.10	0.17	0.12	40.22
Disposals/ adjustments	-	-	-	0.00	-	-	0.09	0.08	0.01	0.05	0.23
As at 31 March 2026	0.55	1.42	-	55.91	6.93	20.91	243.31	5.37	1.21	0.97	336.60
<b>Net Book Value</b>											
As at 31 March 2026	3.28	2.08	113.87	131.53	2.06	6.05	651.39	4.28	1.51	0.86	916.88
As at 31 March 2025	3.33	2.79	113.62	132.12	1.70	7.69	660.96	4.15	1.49	1.04	928.88

Notes:

a) Plant and equipment include smelters, power plants and related facilities.

b) Title deeds of Immovable property not held in name of the Company:

Title deed of an immovable property, in the nature of freehold land, as indicated in the below mentioned table which was acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated 15 November 2022, is not held in the name of the Company. However the deed of merger has been registered by the Company on 28 November 2022.

(₹ In Crores)

Relevant line item in the balance sheet	Description of item of property	Gross carrying value as at 31 March 2026	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company	Present Status
Property, plant and equipment	Freehold land	0.07	FACOR Power Limited ("FPL") (now merged with the Company)	No	27-Aug-07	Held in the name of erstwhile transferor company (FPL) which was amalgamated with the Company through approved Scheme.	During the year, out of 98.3 acres of freehold land, 97.20 acres have been transferred in the name of the Company. The transfer of the remaining land valuing ₹ 0.07 crores is under process.

\*During the year, lease hold land of ₹ 1.37 crores have also been transferred in the name of the Company, which was pending as on 31 March 2025.

4 (a) Capital work-in-progress

(₹ In Crores)

Particulars	As at 31 March 2026	As at 31 March 2025
Carrying amount of capital work in progress (CWIP)	1,130.10	222.82

Particulars	CWIP
<b>At Cost</b>	
As at 01 April 2024	54.46
Additions*	197.16
Capitalisation during the year	28.80
As at 31 March 2025	222.82
Additions*	936.19
Capitalisation during the year	28.91
As at 31 March 2026	1,130.10

\*Net borrowing cost capitalised of ₹ 34.22 crores (net of interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets of ₹ 6.62 crores), (31 March 2025 : ₹ 3.61 crores) for growth projects.

Note - All the above projects are neither overdue nor have exceeded their cost compared to their original plan.

Capital work in progress ageing schedule

(₹ In Crores)

CWIP	As at 31 March 2026			As at 31 March 2025		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	957.24	-	957.24	176.06	-	176.06
1-2 years	127.16	-	127.16	18.68	-	18.68
2-3 years	17.63	-	17.63	15.78	-	15.78
More than 3 years	28.07	-	28.07	12.30	-	12.30
<b>Total</b>	<b>1,130.10</b>	<b>-</b>	<b>1,130.10</b>	<b>222.81</b>	<b>-</b>	<b>222.81</b>

4 (b) Stripping assets and assets held for sale

(₹ In Crores)

Particulars	Assets held for sale	Stripping assets	Total
<b>At Cost</b>			
As at 01 April 2024	0.01	60.65	60.66
Additions	-	13.95	13.95
Disposals	-	-	-
As at 31 March 2025	0.01	74.60	74.61
Additions	-	1.81	1.81
Disposals	-	-	-
As at 31 March 2026	0.01	76.41	76.42
<b>Depreciation</b>			
As at 01 April 2024	-	34.55	34.55
Charge for the year	-	6.76	6.76
As at 31 March 2025	-	41.31	41.31
Charge for the year	-	22.32	22.32
As at 31 March 2026	-	63.63	63.63
<b>Net Book Value</b>			
As at 31 March 2026	0.01	12.78	12.79
As at 31 March 2025	0.01	33.29	33.30

5. Intangible assets

(₹ In Crores)

Particulars	Mining right	Other mining assets	SAP implementation	ROU assets- Lease	Total
<b>At Cost</b>					
As at 01 April 2024	12.81	10.81	2.32	5.69	31.63
Additions	-	-	0.53	-	0.53
As at 31 March 2025	12.81	10.81	2.85	5.69	32.16
Additions	-	14.55	0.44	-	15.00
As at 31 March 2026	12.81	25.36	3.29	5.69	47.16
<b>Depreciation</b>					
As at 01 April 2024	7.19	3.64	1.47	0.76	13.06
Charge for the year	0.67	1.32	0.61	1.14	3.73
As at 31 March 2025	7.86	4.96	2.08	1.90	16.79
Charge for the year	0.53	5.14	0.64	1.14	7.45
As at 31 March 2026	8.38	10.10	2.71	3.04	24.24
<b>Net Book Value</b>					
As at 31 March 2026	4.43	15.26	0.58	2.65	22.92
As at 31 March 2025	4.95	5.85	0.77	3.79	15.37

	(₹ In Crores)	
	As at 31 March 2026	As at 31 March 2025
<b>6 Financial Assets - Investments</b>		
<b>Non current investments</b>		
<b>Investment measured at fair value through OCI</b>		
Investments in equity shares of other companies - Quoted, fully paid-up	-	0.17
Nil (31 March 2025: 5,00,000) shares of Facor Alloys Limited of ₹ 1/- each		
<b>Investment measured at amortised cost</b>		
Investments in government securities - Unquoted	0.00	0.00
₹ 40,000 (31 March 2025: ₹ 40,000) 6 years National savings certificates		
	<b>0.00</b>	<b>0.17</b>
Investments at fair value through OCI (fully paid) reflect investment in quoted equity shares. These equity shares are designated as FVTOCI as they are not held for trading purpose. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. Decrease in amount of quoted equity shares is due to sale of shares.		
Aggregate book value of quoted investments	-	0.17
Aggregate market value of quoted investments	-	0.17
Aggregate book value of un-quoted investments	0.00	0.00
<b>Current investments</b>		
<b>Investments carried at fair value through profit or loss</b>		
Investment in mutual fund	7.02	13.02
Kotak mutual fund: 48,878.492 units @ ₹ 1437.03 Per unit		
(31 March 2025: ICICI prudential overnight Fund 94,618.41 units @ ₹ 1375.93 per unit		
	<b>7.02</b>	<b>13.02</b>
	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
<b>7 Non-current financial assets - Others</b>		
<b>Financial assets at amortised cost</b>		
Fixed deposits with banks*	3.23	3.12
Security deposits (unsecured, considered good)	10.21	9.43
	<b>13.44</b>	<b>12.55</b>
*Fixed deposits represent lien marked FDs of maturity more than 12 months which will be renewed after maturity until business requirement.		
	<b>As at 31 March 2026</b>	<b>As at 31 March 2025</b>
<b>8 Deferred tax assets</b>		
<b>Deferred tax liability:</b>		
Accelerated depreciation for tax purposes	126.89	121.89
Revaluation of land	11.12	11.12
Other mining assets & stripping assets	7.06	10.80
<b>Deferred tax assets:</b>		
Disallowance u/s 43B of the Income Tax Act, 1961 to be allowed on payment basis	1.72	0.27
Unabsorbed depreciation and business loss carried forward	161.43	191.32
Share based payment	1.77	-
Others	3.62	4.22
<b>Net deferred tax assets</b>	<b>23.47</b>	<b>52.00</b>

(This space has been intentionally left blank)

(₹ In Crores)

	As at 31 March 2026	As at 31 March 2025
<b>9 Other non-current assets</b>		
<b>Unsecured, considered good</b>		
Capital advances	79.28	204.47
Balance with government authorities*	26.64	27.84
Prepaid expenses	1.03	0.96
<b>Unsecured, considered doubtful</b>		
Provision for doubtful advances	-	(1.20)
	<b>106.95</b>	<b>232.06</b>

\* Balance with government authorities includes deposit with government authorities of ₹ 11.79 crores paid under protest and GST refunds receivable of ₹ 14.85 crores.

	As at 31 March 2026	As at 31 March 2025
<b>10 Inventories (at the lower of cost and net realisable value)</b>		
Raw materials Include material in transit	49.54	40.51
Stock-in-Process	6.96	19.26
Finished Products	10.88	1.59
Stores and spares	9.92	9.54
	<b>77.30</b>	<b>70.89</b>

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

During the year ended 31 March 2026, nil amount (31 March 2025: ₹ 1.52 crores ) was recognised as an expense for inventories carried at net realisable value.

	As at 31 March 2026	As at 31 March 2025
<b>11 Current financial assets - trade receivables</b>		
Unsecured, considered good		
a. Trade receivables from related parties	0.56	0.94
b. From others	2.48	2.65
	<b>3.04</b>	<b>3.59</b>

**Trade receivables ageing schedule:**

**Particulars**

**Unsecured-Undisputed**

	As at 31 March 2026	As at 31 March 2025
Not due	2.09	-
Less than 6 months	0.79	3.59
6 months – 1 year	0.17	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>3.04</b>	<b>3.59</b>

- For amounts due and terms and conditions relating to related party receivables, see note 46.

- No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

- Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

- There are no secured-undisputed and unsecured-disputed trade receivables.

	As at 31 March 2026	As at 31 March 2025
<b>12 Current financial assets - cash and cash equivalent</b>		
Balance with banks:		
On current account	2.46	2.48
Fixed deposits with original maturity of upto 3 months	13.25	7.00
	<b>15.71</b>	<b>9.48</b>

**FERRO ALLOYS CORPORATION LIMITED**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

CIN: U45201OR1955PLC008400 | D. P. Nagar, Randia, Bhadrak, Odisha - 756135



**(₹ In Crores)**

As at

**31 March 2026**

As at

**31 March 2025**

At 31 March 2026, the Company had available ₹ 12.00 crores (31 March 2025 : ₹ 10 crores) of undrawn cash credit limit.

(₹ In Crores)

	As at 31 March 2026	As at 31 March 2025
<b>13 Current financial assets - other bank balance</b>		
Bank deposits with original maturity of more than 3 months but less than 12 months	67.00	93.50
	<b>67.00</b>	<b>93.50</b>
Fixed deposits represent lien marked FDs of maturity less than 12 months which will be renewed after maturity until business requirement.		
	As at <b>31 March 2026</b>	As at <b>31 March 2025</b>
<b>14 Current financial assets - loans</b>		
Loans to employees	0.08	0.02
	<b>0.08</b>	<b>0.02</b>
	As at <b>31 March 2026</b>	As at <b>31 March 2025</b>
<b>15 Current financial assets - derivatives</b>		
Marked to market gain on foreign exchange forward contracts measured at FVTPL	-	0.33
	<b>-</b>	<b>0.33</b>
	As at <b>31 March 2026</b>	As at <b>31 March 2025</b>
<b>16 Other current financial assets</b>		
<b>Financial assets at amortised cost</b>		
<b>Unsecured, considered good</b>		
Security deposits	-	0.86
Interest accrued on deposits with banks and others	2.77	4.51
	<b>2.77</b>	<b>5.37</b>
	As at <b>31 March 2026</b>	As at <b>31 March 2025</b>
<b>17 Current tax assets</b>		
Advance tax (net of provision for tax )	5.23	4.16
	<b>5.23</b>	<b>4.16</b>
	As at <b>31 March 2026</b>	As at <b>31 March 2025</b>
<b>18 Other current assets</b>		
<b>Unsecured, considered good</b>		
Advance related to supplies	34.75	33.07
Balance with government authorities	11.18	9.39
Prepaid expenses	11.88	14.56
Others	0.01	0.01
<b>Unsecured, considered doubtful</b>	3.20	3.16
Less: Provision for doubtful advances	(3.20)	(3.16)
	<b>57.85</b>	<b>57.03</b>

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19 Share capital

	As at 31 March 2026	As at 31 March 2025
<b>Authorised :</b>		
7,07,00,00,000 (31 March 2025: 7,07,00,00,000) Equity Shares of ₹ 1/- each	707.00	707.00
23,00,00,000 (31 March 2025: 23,00,00,000) 0.01% redeemable preference shares of ₹ 100/- each	23.00	23.00
	<b>730.00</b>	<b>730.00</b>
<b>Issued, subscribed &amp; fully paid up:</b>		
34,00,01,800 (31 March 2025: 34,00,01,800) equity shares of ₹ 1/- each	34.00	34.00
	<b>34.00</b>	<b>34.00</b>

(a) Terms and rights attached to equity shares

- The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity share 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, if any, of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

(b) Reconciliation of number of shares and the amount outstanding at the beginning and end of the year :

	Number of Shares (in Crores)	Amount (₹ in Crores)
<b>Outstanding at the 01 April 2024</b>	34.00	34.00
Changes during the year	-	-
<b>Outstanding at the 31 March 2025</b>	34.00	34.00
Changes during the year	-	-
<b>Outstanding at the 31 March 2026</b>	34.00	34.00

(c) Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

	As at 31 March 2026	As at 31 March 2025
Vedanta Limited (holding company)	339,999,994	339,999,994

(d) Details of shareholders holding more than 5% shares in the Company\*

Name of the shareholder	31 March 2026		31 March 2025	
	No. of shares	% held	No. of shares	% held
Vedanta Limited (holding company)	339,999,994	100%	339,999,994	100%

\* The % of holding has been calculated on the issued and subscribed share capital as at the respective balance sheet dates as per the records of the Company, including its register of shareholders/ members, the above shareholding represents legal ownership of shares.

(e) Details of shares held by promoters

As at 31 March 2026					
Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total Shares	% change during the year
<b>Equity shares of ₹ 1 each fully paid</b>					
Vedanta Limited (holding company)	339,999,994	-	339,999,994	100%	-
As at 31 March 2025					
Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>Equity Shares of ₹ 1 each fully paid</b>					
Vedanta Limited (holding company)	339,999,994	-	339,999,994	100%	-

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	As at 31 March 2026	As at 31 March 2025
<b>20 Other equity</b>		
<b>(a) Capital reserves</b>		
Balance at the beginning of the year	1,161.37	1,161.37
Balance at the end of the year	1,161.37	1,161.37
<b>(b) General reserve</b>		
Balance at the beginning of the year	192.00	192.00
Balance at the end of the year	192.00	192.00
<b>(c) Retained earnings</b>		
Balance at the beginning of the year	(330.17)	(310.66)
Adjustments due to deferred tax liability created on revaluation gain (refer note 8)	-	(11.11)
Add: Profit/ (Loss) for the year after taxation as per statement of profit and loss	89.43	(6.13)
Less: Remeasurement losses of defined benefit plans (net of tax of ₹ 0.24 crores, 31 March 2025 : ₹ 0.80 crores)	(0.70)	(2.27)
Less: Payment towards employee stock option scheme (net of tax of ₹ 1.77 Crores) (refer note below)	(5.25)	-
Transfer of fair value of equity instrument measured at FVTOCI	(0.12)	-
	(246.81)	(330.17)
<b>(d) Equity portion of borrowings</b>		
Balance at the beginning of the year	2.77	2.77
Balance at the end of the year	2.77	2.77
<b>(e) Fair value of equity instrument measured at FVTOCI</b>		
Balance at the beginning of the year	(0.13)	0.06
Addition during the year	0.01	(0.19)
Transferred to retained earnings	0.12	-
Balance at the end of the year	-	(0.13)
<b>Total equity (a+b+c+d)</b>	<b>1,109.33</b>	<b>1,025.84</b>

#### Nature and purpose of other reserves

##### Capital reserve

The balance in capital reserve has mainly arisen pursuant to implementation of resolution plan during the year ended 31 March 2021 of ₹ 926.92 Crores and pursuant to merger of FACOR Power Limited with the Company of ₹ 230.06 crores.

##### General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013 ("Act"), the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

##### Retained earnings

Retained earnings are the (loss) that the Company has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss.

##### Payment towards employee stock option scheme

Amount recovered by the parent company and recognised by the Company in the statement of profit and loss for the year ended 31 March 2026 is ₹ 0.83 crores (31 March 2025 ₹ 1.71 crores). Further, the parent Company has also recovered the difference between the expected purchase price of shares and the grant date fair value of ₹ 7.02 crores from the Company. This amount has been debited directly to the retained earnings. The Company considers these amounts as not material and accordingly has not provided further disclosures.

**Equity portion of borrowings**

This include equity portion of borrowings recognised upon Ind AS transition during the year ended March 31, 2017.

**Fair value of equity instrument measured at FVTOCI**

Fair value of equity instrument measured at FVTOCI represents the change in fair value of investments measured at fair value through OCI. During the year, fair value loss on equity instruments measured at FVTOCI has been transferred from OCI to retained earnings upon its disposal.

	As at 31 March 2026	As at 31 March 2025
<b>21 Financial liabilities – Borrowings</b>		
<b>A. Non-current borrowings</b>		
<b>At amortised cost, unsecured</b>		
From the holding company	300.00	300.00
Current maturities of long-term debts	(300.00)	-
	<u>-</u>	<u>300.00</u>
<b>B. Current borrowings</b>		
<b>At amortised cost, secured</b>		
From banks (short term loans)	7.25	20.75
<b>At amortised cost, unsecured</b>		
From the holding company*	100.00	-
Current maturities of long-term debts	300.00	-
	<u>407.25</u>	<u>20.75</u>

\* During the current year, the Company has taken additional loan from Vedanta Limited (Holding Company) of ₹ 100 crores, total loan amount being ₹ 400 crores (31 March 2025: ₹ 300 crores) at interest rate of 9.35% per annum. Loan is repayable in March 2027 in single installment along with accrued interest.

**22 Financial liabilities - Lease liabilities**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Lease liabilities*	3.60	1.80	5.31	1.80
	<u>3.60</u>	<u>1.80</u>	<u>5.31</u>	<u>1.80</u>

\* The movement in lease liabilities is as follows:

Particulars	(₹ in Crores)	
	As at 31 March 2026	As at 31 March 2025
<b>Opening balance</b>	7.11	5.15
Add: Lease liability created during the year	-	3.50
Add: Lease liability Interest unwinded for the year	0.58	0.71
Less: Repayment of lease liabilities for the year	(2.29)	(2.25)
<b>Closing balance</b>	5.40	7.11

	As at 31 March 2026	As at 31 March 2025
<b>23 Other financial liabilities</b>		
Retention money*	111.26	-
	<u>111.26</u>	<u>-</u>

\*Related to capital projects.

**24 Provisions**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
<b>Provision for employee benefits</b>				
- Provision for gratuity (refer note 47)	5.16	1.42	3.22	1.07
- Provision for compensated absences*	-	4.30	-	3.20
<b>Provision for mine restoration and environmental costs**</b>	5.23	-	5.00	-
	<u>10.39</u>	<u>5.73</u>	<u>8.22</u>	<u>4.27</u>

\*\* The movement in provision for mine restoration and environmental costs is as follows:

Particulars	(₹ in Crores)
	Amount
<b>At 01 April 2024</b>	4.78
Unwinding of discount	0.22
<b>At 31 March 2025</b>	5.00
Unwinding of discount	0.23
<b>At 31 March 2026</b>	5.23

**Provision for mine restoration and environmental costs**

	<u>As at</u> <u>31 March 2026</u>	<u>As at</u> <u>31 March 2025</u>
The provisions for restoration, rehabilitation and environmental liabilities represent the management's best estimate. The principal restoration and rehabilitation provisions are recorded for mines where a legal obligation exists relating to the mining fields, where costs are expected to be incurred in restoring the site of production facilities at the end of the producing life of mine. The Company recognises the full cost of site restoration as a liability when the obligation to rectify environmental damage arises of the costs which will be incurred in the future to meet the Company's obligations under existing Indian law and the terms of the Company's exploration and other licences and contractual arrangements. These amounts are calculated by considering discount rates of 6.84% and will be payable at the end of the producing life of mine and are expected to be incurred over a period of 13 years for Ostapal Mine, 8 years for Kathpal mine and 36 years for Kalarangiatta mine. An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production from mines.		

	As at 31 March 2026	As at 31 March 2025
<b>25 Other non-current Liabilities</b>		
Deferred government grants	65.58	-
	<b>65.58</b>	<b>-</b>
	As at 31 March 2026	As at 31 March 2025
<b>26 Financial liabilities - Operational buyers credit/ Suppliers' credit</b>		
Operational buyer's/ Supplier's credit	208.43	165.70
	<b>208.43</b>	<b>165.70</b>

Operational buyer's/ Supplier's credit includes facility availed from domestic banks in foreign currency for 81-140 days at interest rate of 3.45% - 5.50% (31 March 2025: 3.98% - 6.08% ) per annum, in rupee from domestic banks at interest rate ranging from of 6.00 % -7.50% (31 March 2025: 7.80 % - 8.30%) per annum largely repayable within 180 days from the date of draw down and vendor financing from Receivables Exchange of India Limited (RXIL) for 150 to 180 days at interest rate of 6.00% - 7.25% (31 March 2025: 6.75% - 7.49%) per annum.

	As at 31 March 2026	As at 31 March 2025
<b>27 Financial liabilities- Trade payables</b>		
Total outstanding dues of micro and small enterprises	25.66	20.16
Total outstanding dues to creditors other than micro and small enterprises	95.40	59.58
	<b>121.06</b>	<b>79.74</b>
Trade payables		
a. To related parties	13.02	15.38
b. To others	108.04	64.35
	<b>121.06</b>	<b>79.74</b>

- For amounts due and terms and conditions relating to related party payables, refer note 46.
- Trade payables are non-interest bearing and are normally settled up to 90 days terms.
- For explanations on the Company's credit risk management processes, refer to note 48.

**Trade payables ageing schedule**

**Particulars**

**Undisputed dues- Micro Enterprises and Small Enterprises**

	As at 31 March 2026	As at 31 March 2025
Unbilled Dues	6.54	5.93
Not due	19.13	13.95
Less than 1 year	-	0.28
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>25.66</b>	<b>20.16</b>

**Undisputed dues- Other than Micro Enterprises and Small Enterprises**

	As at 31 March 2026	As at 31 March 2025
Unbilled Dues	72.22	42.80
Not due	10.42	2.22
Less than 1 year	12.76	13.93
1-2 years	12.76	0.63
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>108.16</b>	<b>59.58</b>

The disclosures relating to Micro Enterprises and Small Enterprises have been furnished to the extent such parties have been identified on the basis of the intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Interest paid is ₹ NIL (31 March 2025: Nil)

**Particulars**

	As at 31 March 2026	As at 31 March 2025
(i) Principal amount due to micro and small enterprises	25.66	20.16
(ii) Interest due on above	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

	<u>As at</u> <u>31 March 2026</u>	<u>As at</u> <u>31 March 2025</u>
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest ues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
	<u>25.66</u>	<u>20.16</u>

	As at 31 March 2026	As at 31 March 2025
<b>28 Financial liabilities - Derivatives</b>		
Marked to market loss on foreign exchange forward contracts measured at FVTPL	2.69	-
	<b>2.69</b>	<b>-</b>
<b>29 Financial liabilities - Others</b>		
Security deposits	0.05	0.05
Retention money	5.92	19.42
Interest accrued but not due on borrowings from the holding company (refer note 46)	51.57	21.05
Payable to suppliers of capital goods	296.26	47.43
Payables related to employees	6.80	7.96
	<b>360.60</b>	<b>95.91</b>
<b>30 Other current liabilities</b>		
Statutory liabilities	10.14	4.16
Advance from customers	10.65	8.26
Other liabilities	0.04	0.57
	<b>20.83</b>	<b>12.99</b>

- a) Statutory liabilities include payable for Provident Fund, Professional Tax, Employee State Insurance Corporation, Goods and Services Tax and Withholding Tax.
- b) Advance from customers are contract liabilities to be settled through delivery of goods. The amount of such balances as on 01 April 2025 was ₹ 8.26 crores. During the current year, the Company has recognised revenue of ₹ 8.26 crores out of such opening balances. All other changes are due to receipt of fresh advances.

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	Year ended 31 March 2026	Year ended 31 March 2025
<b>31 Revenue from operations</b>		
Sale of products (refer note 43)	990.56	844.87
Sale of power	102.99	85.04
	<b>1,093.56</b>	<b>929.92</b>
<b>Notes:-</b>		
(a) Majority of the Company's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within 90 days.		
<b>(b) Disaggregated revenue information</b>		
	Year ended 31 March 2026	Year ended 31 March 2025
<b>1. Types of goods or services</b>		
a. Sale of high carbon ferro chrome & related items	990.56	844.88
b. Sale of power	102.99	85.04
<b>Total</b>	<b>1093.56</b>	<b>929.92</b>
<b>2. Location of customer</b>		
a. India	1,078.65	899.59
b. Outside India	14.91	30.33
<b>Total</b>	<b>1093.56</b>	<b>929.92</b>
<b>3. Timing of revenue recognition</b>		
a. Transferred at a point in time	1093.56	929.92
b. Transferred over time	-	-
<b>Total</b>	<b>1093.56</b>	<b>929.92</b>
<b>32 Other operating revenue</b>	Year ended 31 March 2026	Year ended 31 March 2025
Export Incentives	2.96	0.30
Scrap sale	2.35	3.44
Others*	-	0.16
	<b>5.30</b>	<b>3.90</b>
* Others include excess provision/ liability written back.		
<b>33 Other income</b>	Year ended 31 March 2026	Year ended 31 March 2025
Interest income from financial assets measured at amortised cost		
On bank deposits	0.60	0.46
Others	0.60	1.36
Other non operating income		
Interest on income tax refund	0.16	5.12
Net foreign exchange gain including derivatives measured at FVTPL	11.56	9.80
Net gain on investments measured at FVTPL	0.68	0.98
Miscellaneous receipts	0.49	2.94
	<b>14.09</b>	<b>20.65</b>
<b>34 Cost of Materials Consumed</b>	Year ended 31 March 2026	Year ended 31 March 2025
Cost of Materials Consumed	296.98	382.91
	<b>296.98</b>	<b>382.91</b>
<b>35 Changes in inventories of finished goods and work in progress</b>	Year ended 31 March 2026	Year ended 31 March 2025
<b>Opening stock:</b>		
Finished goods	1.59	12.75
Work in progress	19.26	4.48
<b>Total</b>	<b>20.85</b>	<b>17.23</b>
<b>Closing stock:</b>		
Finished goods	10.88	1.59
Work in progress	6.96	19.26
<b>Total</b>	<b>17.85</b>	<b>20.85</b>
<b>Changes in inventory</b>	<b>3.00</b>	<b>(3.62)</b>

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	Year ended 31 March 2026	Year ended 31 March 2025
<b>36 Employee benefits expense</b>		
Salaries and wages	51.66	46.64
Share based payments (refer note below)	0.83	1.71
Contributions to provident fund, gratuity and other funds (refer Note 44)	3.94	3.46
Staff welfare expenses	8.37	6.63
	<b>64.80</b>	<b>58.44</b>

Net of capitalisation of ₹ 6.13 crores (31 March 2025: ₹ 6.06 crores)

**Note : Share based payments**

The Company offers equity-based incentives to its employees, officers and directors as part of its holding company's stock option plan i.e. Vedanta Limited - Employee Stock Option Scheme 2015 ("VESOS").

The holding Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the holding company including its subsidiary companies. The ESOS scheme includes tenure based, business performance based, sustained individual performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee.

Options granted during the year ended 31 March 2026 & 31 March 2025, has been based on business performance, sustained individual performance, management discretion and fatality multiplier based stock options. Business performances will be measured using volume, cost, net sales realisation, EBITDA, free cash flows, ESG & Carbon footprint or a combination of these for the respective business/ SBU entities.

The exercise price of the options is of ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

The fair value of all options has been determined at the date of grant of the option allowing for the effect of any market-based performance conditions. This fair value, adjusted by the Group's estimate of the number of options that will eventually vest as a result of non-market conditions, is expensed over the vesting period. The fair values were calculated using the Black-Scholes Merton Option Pricing Model.

Further, in accordance with the terms of the agreement between the Parent and the Company, the cost recognized towards the scheme is recovered by the parent from the Company.

Amount recovered by the parent and recognised by the Company in the statement of profit and loss for the year ended 31 March 2026 is ₹ 0.83 crores (31 March 2025 ₹ 1.71 crores). Further, the parent Company has also recovered the difference between the expected purchase price of shares and the grant date fair value of ₹ 7.02 crores from the Company. This amount has been debited directly to the retained earnings. The Company considers these amounts as not material and accordingly has not provided further disclosures.

	Year ended 31 March 2026	Year ended 31 March 2025
<b>37 Finance cost</b>		
Interest expense on borrowings at amortised cost	35.81	23.06
Bank charges and commission	1.65	2.40
Other finance costs	8.33	11.93
Interest expense on lease liability at amortised cost	0.58	0.71
Less: Capitalisation of finance cost (refer note 4(a) )	(34.22)	(23.04)
	<b>12.15</b>	<b>15.06</b>

	Year ended 31 March 2026	Year ended 31 March 2025
<b>38 Depreciation and Amortisation Expense</b>		
Depreciation on property, plant & equipment & stripping assets (refer note 3 & 4 (b))	62.54	43.61
Amortisation on intangible assets (refer note 5)	7.45	3.73
	<b>69.99</b>	<b>47.34</b>

	Year ended 31 March 2026	Year ended 31 March 2025
<b>39 Power and fuel charges</b>		
Power and fuel	186.79	166.44
Electricity duty on auxiliary consumption	3.42	2.79
Water Charges	2.31	2.19
	<b>192.52</b>	<b>171.42</b>

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	Year ended 31 March 2026	Year ended 31 March 2025
Deferred tax expense - adjustment of previous year	-	0.97
Other permanent differences	0.00	0.71
<b>Tax Expenses recognised in profit and loss</b>	<b>30.57</b>	<b>1.15</b>
<b>Effective tax rate</b>	<b>25.47%</b>	<b>23.00%</b>
	Year ended 31 March 2026	Year ended 31 March 2025
<b>43 Earning per share (EPS)</b>		
Profit after tax attributable to equity share holders for Basic and Diluted EPS (A)	89.43	(6.13)
Weighted average number of ordinary shares outstanding during the year (B)	34.00	34.00
EPS - Basic and diluted (₹) (A/B)	2.63	(0.18)

#### 44 Commitments, contingencies and guarantees

##### (A) Capital and other commitments

- Estimated amount of contracts on capital account remaining to be executed and not provided for in accounts ₹ 811.15 crores (31 March 2025 ₹ 1,964.94 crores).
- For lease commitments refer note 22

##### (B) Export obligation

The Company has export obligations of ₹ 393.45 crores as on 31 March 2026 (31 March 2025: ₹ Nil) on account of concessional rates of import duty paid on capital goods under the Export Promotion Capital Goods Scheme laid down by the Government of India. In the event of the Company's inability to meet its obligations, the Company's liability would be ₹ 65.57 crores (31 March 2025: ₹ Nil) reduced in proportion to actual exports, plus applicable interest.

##### (C) Contingent liabilities

Claims against the Company not acknowledged as debts, since disputed ₹ 6.06 crores (31 March 2025 ₹ 5.01 crores). Amounts paid under protest ₹ 0.07 crores (31 March 2025 ₹ 0.07 crores) have been debited to advance account.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount involved	Paid under protest	Amount involved	Paid under protest
Custom Duty	0.40	0.07	0.40	0.07
Employees and Ex Employees	0.08	-	0.08	-
Mining cases (a)	2.34	-	1.40	-
Income tax (b)	3.24	-	3.13	-
<b>Total</b>	<b>6.06</b>	<b>0.07</b>	<b>5.01</b>	<b>0.07</b>

- a) Amount of ₹ 2.34 crores comprises of ground water license fee for which the Company has made representation before the Executive Engineer Jaraka Irrigation Division against the demanded amount as the same is not payable as per the NCLT Cuttack Division order.

##### b) Income tax matters comprise of:

###### I) In respect of assessment year 2018-19, the Company had received Income tax demand of Rs 2.31 crores (31 March, 2025 Rs 2.19 crores) :

- ₹ 0.99 crores on account of duty drawback - the Company had received duty drawback aggregating to ₹ 2.87 crores and the Company was requested by the Assessing Officer to furnish an explanation in respect of the said amount; however, no explanation was furnished before the Assessing Officer. Consequently, the Assessing Officer invoked the provisions of Section 69A of the Income-tax Act, 1961 and treated the aforesaid amount as unexplained income. An appeal has been filed before the Commissioner of Income Tax (Appeals) and the matter is currently pending adjudication at the hearing stage.
- ₹ 0.62 crores on account of sale consideration discrepancy - The Company was requested by the Assessing Officer to explain the discrepancy amounting to ₹ 1.79 crores between the sale consideration reported in the income-tax return and Form 26QB filed by the purchaser. However, no explanation was furnished before the Assessing Officer. Consequently, the Assessing Officer invoked the provisions of Section 68 of the Income-tax Act, 1961 and treated the differential amount as unexplained income. An appeal has been filed before the Commissioner of Income Tax (Appeals) and the matter is currently pending adjudication at the hearing stage.
- ₹ 0.58 crores on account of disallowance of depreciation on Intangible asset - the Company had reported an addition to intangible assets amounting to ₹ 13.39 crores and the Company was requested by the Assessing Officer to furnish the details and justification in respect of the said addition. However, no explanation was provided. Accordingly, the Assessing Officer disallowed the depreciation claimed thereon amounting to ₹ 1.67 crores. An appeal has been filed before the Commissioner of Income Tax (Appeals) and the matter is currently pending adjudication at the hearing stage.
- ₹ 0.12 crores on account of non-deduction of TDS on payments - During the course of a TDS survey conducted under Section 133A(2A) on 22 October, 2019, the Company furnished relevant documents pertaining to FY 2017-18. Subsequently, a show cause notice dated 04 March, 2020 was issued to the Company regarding the alleged non-deduction of TDS on payments made to transporters under section 194C of the Income-tax Act. In response, the Company submitted valid declarations in terms of Section 194C(6), along with the PAN details of the transporters. However, the Assessing Officer, passed an order dated 03 December, 2020 under Sections 201(1) and 201(1A), raising a demand of ₹ 0.12 crores. Aggrieved by the said order, the assessee preferred an appeal before the Learned CIT(A) on 21 January, 2021. The Company has filed the written submission before Deputy Commissioner of Income Tax for the same.

Based on management's assessment and legal advice, where applicable, the Company believes that the final outcome of these proceedings will be in its favour. Accordingly, no provision has been made in the books of accounts in respect of these matters.

###### II) In respect of other assessment years, the Company had received Income tax demand of ₹ 0.93 crores (31 March, 2025 ₹ 0.93 crores) :

The Company had received Income tax demand of ₹ 0.93 crores (31 March 2025 ₹ 0.93 crores) in respect of multiple assessment years largely on account of management fees paid, non deduction of TDS for transporters and delay in deposit of employee PF contribution. The Company has filed appeal with Commissioner of Income Tax (Appeals) and submitted the responses to Income Tax Officer. The management is confident that the above matters would be decided in its favour.

##### (D) Guarantees

Details of bank guarantees are given below:

(₹ In Crores)

Particulars	As at 31 March 2026	As at 31 March 2025
Mining authorities	15.86	8.53
Coal linkage	8.10	11.30
Sale of power through open access	0.39	0.39
Water linkage	2.59	2.28
The Secretary Central Electricity Regulatory Commission	0.86	0.86
<b>Total</b>	<b>27.80</b>	<b>23.36</b>

(This space has been intentionally left blank)

#### 45 Segment information

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

##### Operating segments

The Management Information System of the Company identifies and monitors Ferro Alloys as the business segment. The Company is managed organisationally as a single unit. In the opinion of the management, the Company is primarily engaged in the business of Ferro Alloys. As the basic nature of these activities are governed by the same set of risk and return, these constitute and are grouped as a single segment. Accordingly, there is only one Reportable Segment for the Company which is "Ferro Alloys". Hence, no specific disclosures have been made.

##### Entity wide disclosures

###### (A) Information about products and services

During the year, the Company primarily operated in one product line, therefore product wise revenue disclosure is not applicable.

###### (B) Information about geographical areas

The Company derives revenue from following major geographical areas:

Area	(₹ In Crores)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Outside india (Includes deemed export)	207.31	172.23
Domestic	886.25	757.69

All the non-current assets of the Company are located in India.

###### (C) Information about Major Customers (from External Customers)

Revenue from customers comprising 10% or above of the total sales during the current year :

External Customers	(₹ In Crores)	
	For the year ended 31 March 2026	
Jindal Stainless Limited	177.13	
SKP Merchants Pvt. Ltd.	106.76	
Mortex India Pvt. Ltd.	101.98	

No Customer was sold 10% or above of the total sales during the previous year. Revenue from top 3 customers:

External Customers	For the year ended 31 March 2025	
	Kreate Energy (I) Pvt. Limited	74.19
Lauls Private Limited	63.15	
SAIL- Salem Steel Plant	63.00	

#### 46 Related Party Disclosures:-

##### I. Given below is the list of related parties where control exists irrespective of whether there has been transaction during the year:

Names of related parties	Relationship
1 Vedanta Limited	Holding Company
2 Vedanta Limited - Sesa Iron Ore	Holding Company
3 Vedanta Limited - Sterlite Copper	Holding Company
4 Vedanta Limited - Aluminium (Lanjigarh)	Holding Company
5 Vedanta Limited - Aluminium (Jharsuguda)	Holding Company
6 Vedanta Limited- Cairn Oil & Gas	Holding Company
7 Vedanta Resources Limited (formerly known as Resources Plc.)*	Intermediate holding company
8 Vedanta Resources Investment Limited ("VRIL")*	Intermediate holding company
9 Vedanta Incorporated (formerly known as Volcan Investments Limited)*	Ultimate holding company

\*No transaction with the party during the year

##### II. Given below is the list of other related parties where transaction have taken place either during current financial year or during previous financial year:

Names of related parties	Relationship
1 Hindustan Zinc Limited	Fellow Subsidiary
2 ESL Steel Limited	Fellow Subsidiary
3 Bharat Aluminium Company Ltd	Fellow Subsidiary
4 Fujairah Gold FZC	Fellow Subsidiary
5 Vizag General Cargo Berth Private Limited	Fellow Subsidiary
6 Talwandi Sabo Power Limited	Fellow Subsidiary
7 Meenakshi Energy Limited	Fellow Subsidiary
8 Athena	Fellow Subsidiary
9 Malco-Nickel	Fellow Subsidiary
10 Vedanta Copper Internaional	Fellow Subsidiary
11 STL Digital Limited	Associate Company of Vedanta Limited

##### III. Key Manegerial Personnel:

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<b>Names of related parties</b>	<b>Relationship</b>
1 Mr. Akhilesh Joshi	Non-Executive Director
2 Mr. AR Narayanaswamy	Non-Executive Independent Director
3 Mr. Arun Misra	Non-Executive Director
4 Mrs. Pallavi Joshi Bakhru	Non-Executive Independent Director
5 Mr. Agnivesh Agarwal	Non-Executive Director (deceased on 07 January 2026)
6 Mr. Pankaj Kumar Sharma	Whole Time Director (WTD) and Chief Executive Officer (CEO)
7 Mr. Karan Kumar Kejriwal	Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) (resigned w.e.f. 17 January 2026)
8 Mr. Prashuk Jain	Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) (appointed w.e.f. 17 January 2026)
9 Mr. Sambit Kumar Sarangi	Company Secretary

IV. Summary of transactions with related parties in the ordinary course of business.

Particulars		With Holding Company		Other entities with whom transactions have taken	
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
i)	Purchase of goods/services	-	-	4.51	2.68
ii)	Sale of goods	37.89	-	8.95	8.81
iii)	Purchase of assets	-	-	0.03	0.00
iv)	Sale of assets	-	0.01	0.01	0.02
v)	Purchases of stores and spares	-	-	0.09	-
vi)	Interest expense	33.91	20.26	-	-
vii)	Reimbursement of expenses	3.26	5.74	0.56	0.91
viii)	Brand fees	31.40	27.63	-	-
ix)	Payment towards employee stock option scheme	7.85	1.71	-	-
x)	Recovery of expenses	0.50	1.61	0.56	0.36
xi)	Payment to KMPs	-	-	6.98	5.55
xii)	Borrowings raised during the year	100.00	175.00	-	-
	<b>Balances outstanding at the year end:</b>				
	a) Borrowings	400.00	300.00	-	-
	b) Other current liabilities	51.57	21.05	-	-
	c) Trade payables	12.98	14.91	0.04	0.47
	d) Other current assets	5.67	8.37	-	-
	e) Trade receivables	-	0.02	0.56	0.92

V a) Details of transactions with related parties during the current year and previous year:

S.N	Particulars	Relationship	As at 31 March 2026	As at 31 March 2025
1	<b>Purchase of services</b> STL Digital Limited	Associate Company of Vedanta Limited	4.51	2.68
	<b>Total</b>		<b>4.51</b>	<b>2.68</b>
2	<b>Sale of goods</b> ESL Steel Limited Vedanta Limited - Aluminium (Jharsuguda)	Fellow Subsidiary Holding Company	8.95 37.89	8.81 -
	<b>Total</b>		<b>46.83</b>	<b>8.81</b>
3	<b>Purchase of Assets</b> Hindustan Zinc Limited	Fellow Subsidiary	0.03	0.00
	<b>Total</b>		<b>0.03</b>	<b>0.00</b>
4	<b>Sale of assets</b> Hindustan Zinc Limited Vedanta Limited	Fellow Subsidiary Holding Company	0.01 -	0.01 0.01
	<b>Total</b>		<b>0.01</b>	<b>0.02</b>
5	<b>Purchase of stores &amp; spares</b> Vedanta Limited - Aluminium (Jharsuguda) Hindustan Zinc Limited	Holding Company Fellow Subsidiary	- 0.09	- -
	<b>Total</b>		<b>0.09</b>	<b>-</b>
6	<b>Interest expense</b> Vedanta Limited	Holding Company	33.91	20.26
	<b>Total</b>		<b>33.91</b>	<b>20.26</b>
7	<b>Reimbursement of expenses</b> Vedanta Limited Vedanta Limited - Sesa Iron Ore Vedanta Limited - Aluminium (Jharsuguda) Vedanta Limited - Cairn Oil & Gas Vedanta Limited - Sterlite Cooper Superannuation to employees Hindustan Zinc Limited Bharat Aluminium Company Ltd ESL Steel Limited STL Digital Limited Meenkshi Energy Limited Athena Malco-Nickel	Holding Company Holding Company Holding Company Holding Company Holding Company Others Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Associate Company of Vedanta Limited Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary	1.59 1.54 0.12 0.02 - 0.24 0.26 0.00 - 0.02 0.01 0.00 0.03	2.74 2.75 0.04 0.04 0.18 0.24 0.08 0.00 0.01 0.58 - - -
	<b>Total</b>		<b>3.82</b>	<b>6.65</b>
8	<b>Brand fees (royalty)</b> Vedanta Limited	Holding Company	31.40	27.63
	<b>Total</b>		<b>31.40</b>	<b>27.63</b>
9	<b>Payment towards employee stock option scheme</b> Vedanta Limited	Holding Company	7.85	1.71
	<b>Total</b>		<b>7.85</b>	<b>1.71</b>
10	<b>Recovery of expenses</b> Vedanta Limited Bharat Aluminium Company Ltd Hindustan Zinc Limited Vedanta Limited - Aluminium (Jharsuguda) Vedanta Limited - Aluminium (Lanjigarh) Vedanta Limited - Sesa Iron Ore ESL Steel Limited	Holding Company Fellow Subsidiary Fellow Subsidiary Holding Company Holding Company Holding Company Fellow Subsidiary	- 0.08 0.38 0.40 0.07 0.01 0.00	1.16 0.00 0.32 0.11 0.04 0.28 0.04

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	Vedanta Limited - Cairn Oil & Gas		Holding Company	0.02	0.01
	Vedanta Copper Internaional		Fellow Subsidiary	0.09	-
		<b>Total</b>		<b>1.06</b>	<b>1.96</b>
11	<b>Payment to KMPs</b>				
	Remuneration to CEO, CFO & CS		KMP	6.00	5.11
	Commission paid to directors		KMP	0.83	0.32
	Sitting Fees paid to directors		KMP	0.15	0.12
		<b>Total</b>		<b>6.98</b>	<b>5.55</b>
12	<b>Borrowings raised during the year</b>				
	Vedanta Limited		Holding Company	100.00	175.00
		<b>Total</b>		<b>100.00</b>	<b>175.00</b>

V **b) Details of balances with related parties as at March 31, 2026 and March 31, 2025**

S.N	Particulars	Relationship	As at 31 March 2026	As at 31 March 2025
(a) Borrowings	Vedanta Limited	Holding Company	400.00	300.00
	<b>Total</b>		<b>400.00</b>	<b>300.00</b>
(b) Other Current Liabilities (interest accrued)	Vedanta Limited	Holding Company	51.57	21.05
	<b>Total</b>		<b>51.57</b>	<b>21.05</b>
(c) Trade Payables	Vedanta Limited	Holding Company	12.76	14.01
	Vedanta Limited - Sesa Iron Ore	Holding Company	0.22	0.90
	STL Digital Limited	Associate Company of Vedanta Limited	0.04	0.46
	Hindustan Zinc Limited	Fellow Subsidiary	-	0.01
	<b>Total</b>		<b>13.02</b>	<b>15.38</b>
(d) Other Current Assets (prepaid brand fee)	Vedanta Limited	Holding Company	5.67	8.37
	<b>Total</b>		<b>5.67</b>	<b>8.37</b>
(e) Trade Receivables	ESL steel Limited	Fellow Subsidiary	0.47	0.92
	Hindustan Zinc Limited	Fellow Subsidiary	0.01	-
	Vedanta Limited - Aluminium (Jharsuguda)	Holding Company	-	0.02
	Vedanta Copper International	Fellow Subsidiary	0.09	-
	<b>Total</b>		<b>0.56</b>	<b>0.94</b>

**Terms and conditions of transactions with related parties**

**(i) Sales to related parties and concerned balances**

*For terms of transaction:*

Sales are made to related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties, who purchase goods and services of the Company in similar quantities. Such sales generally include payment terms requiring related party to make payment within 30 to 60 days from the date of invoice.

*For terms of balance:*

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 to 60 days from the reporting date (31 March 2025: 30 to 60 days from the reporting date). For the year ended 31 March 2026, the Company has not recorded any impairment on receivables due from related parties (31 March 2025: Nil).

**(ii) Purchase of goods and property, plant and equipment and related balances**

*For terms of transaction:*

Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar purchase transactions entered into by the Company with the other non-related parties. Such purchases generally include payment terms requiring the Company to make payment within 30 to 60 days from the date of invoice.

*For terms of balance:*

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 to 60 days from the reporting date (31 March 2025: 30 to 60 days from the reporting date).

**(iii) Loans taken from the related parties**

*Loans from holding company:*

The Company has taken loan from its holding company to finance growth projects. The loan has been utilized by the Company for the purpose it was obtained. The loan is unsecured, and interest is charged at the rate of 9.35% per annum and repayable in March 2027.

**(iv) Compensation to KMP of the Company**

The amounts disclosed in the table are the amounts recognised as an expense during the financial year related to KMP. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of key managerial personnel. Such expenses are measured based on an actuarial valuation done for the Company. Hence, amounts attributable to KMPs are not separately determinable.

Generally, non-executive directors do not receive any gratuity or post-employment benefits from the Company.

**(v) Brand fee payment to the holding company**

The Company makes royalty payment to the holding company for use of its brand @ 3% of turnover of the entity excluding inter-company sales for each financial year. The rate of royalty payment is determined using transfer pricing study conducted by tax professionals engaged by the Company. The royalty agreement requires the Company to make upfront payment toward royalty expense for the year, within 30 days of commencement of the year. The initial payment is based on estimated annual turnover for the year. Any true-up adjustments arising due to difference in estimated vs. actual turnover for the year need to be settled between parties upon finalisation of audited financial statements of the Company. Any amount recoverable/ payable towards true-up adjustment of brand fee is unsecured and interest free. The same is normally settled within 30 days from the date of finalisation of audited financial statements of the Company.

#### 47 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India

##### Defined contribution plans:

Amount of ₹ 2.98 crores (Previous Year ₹ 2.73 crores) is recognised as expenses and included in "Employee benefits expense" in Note 36 of the statement of profit and loss.

##### Defined benefit plan :

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with LIC and Bajaj Alliance in form of qualifying insurance policy.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of privilege leave for encashment. This is unfunded plan.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

##### (A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Particulars	(₹ In Crores)	
	31 March 2026	31 March 2025
Present value of defined benefit obligation at the beginning of the year	10.12	9.47
Interest cost	0.71	0.67
Current service cost	0.85	0.73
Past service cost	1.57	-
Actuarial losses/(gains)	0.92	2.44
Benefits paid	(1.25)	(3.19)
Present value of defined benefit obligation at the close of the year	<b>12.92</b>	<b>10.12</b>

##### (B) Changes in the fair value of plan assets and reconciliation thereof

Particulars	(₹ In Crores)	
	31 March 2026	31 March 2025
Fair value of plan assets at the beginning of the year	5.82	5.98
Add : Expected return on plan assets	0.41	0.42
Add/(Less) : Actuarial gains/(losses)	(0.02)	(0.11)
Add : Contributions	1.38	2.72
Less : Benefits paid	(1.25)	(3.19)
Fair value of plan assets at the close of the year	<b>6.34</b>	<b>5.82</b>

##### (C) Amount recognised in the balance sheet

Particulars	(₹ In Crores)	
	31 March 2026	31 March 2025
Present value of defined benefit obligation	12.92	10.12
Less : Fair value of plan assets	6.34	5.82
Present value of unfunded obligation	<b>6.58</b>	<b>4.30</b>

##### (D) Amount recognised in the statement of profit and loss are as follows :

Particulars	(₹ In Crores)	
	31 March 2026	31 March 2025
<b>Charged to statement of profit and loss</b>		
Current service cost	0.85	0.73
Past service cost*	1.57	-
Interest cost/(income)	0.30	0.25
<b>Total</b>	<b>2.72</b>	<b>0.98</b>

\*Recognised under exceptional items (refer note 52)

Charged to other comprehensive income	(₹ In Crores)	
	31 March 2026	31 March 2025
Net actuarial loss/(gain)	0.94	2.55
	<b>0.94</b>	<b>2.55</b>

##### (E) Investment details:

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Particulars	31 March 2026	31 March 2025
Funds managed by insurer (investment with insurer)	100%	100%

**(F) Actuarial assumptions as at the balance sheet date**

(₹ In Crores)

Particulars	31 March 2026	31 March 2025
Discount rate	7.26%	7.03%
Salary escalation rate	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

**(G) Principal actuarial assumption**

Particulars	31 March 2026		31 March 2025	
i) Retirement age (years)	58		58	
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)		100% of IALM (2012 - 14)	
	<b>Withdrawal Rate (%)</b>		<b>Withdrawal Rate (%)</b>	
iii) Attrition at ages	For power plant employees	For other employees	For Power plant employees	For other employees
Up to 30 Years	2	12	2	12
From 31 to 44 years	2	13	2	13
Above 44 years	2	15	2	15

**(H) Bifurcation of actuarial gain/loss on obligation**

(₹ In Crores)

Particulars	31 March 2026	31 March 2025
a) Actuarial (gain)/loss on arising from change in demographic assumption	-	-
b) Actuarial (gain)/loss on arising from change in financial assumption	(0.12)	0.03
c) Actuarial (gain)/loss on arising from experience adjustment	1.04	2.41

**(I) Actuarial gain/loss on plan asset**

(₹ In Crores)

Particulars	31 March 2026	31 March 2025
Expected interest income	0.41	0.42
Actual income on plan asset	0.39	0.31
Actuarial gain /(loss) for the year on asset	(0.02)	(0.11)

**(J) Sensitivity analysis:**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below.

Particulars	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.5%)	(0.25)	0.26	(0.22)	0.23
Change in rate of salary increase (delta effect of +/- 0.5%)	0.26	(0.25)	0.23	(0.22)

**(K) Risk analysis:**

**Maturity profile of defined benefit obligation**

Year	Amount in crores
0 to 1 Year	3.00
1 to 2 Year	0.82
2 to 3 Year	0.77
3 to 4 Year	0.41
4 to 5 Year	0.63
5 to 6 Year	0.58
6 Year onwards	6.70

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability

B) Investment risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

F) The expected contributions to the plan for the next annual reporting period is ₹ 1.42 crores.

48 Financial instruments

A Financial assets and liabilities:

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

(₹ In Crores)

Financial assets	As at 31 March 2026			As at 31 March 2025		
	Fair value through profit/loss	Fair value other comprehensive income	Amortised cost	Fair value through profit/loss	Fair value other comprehensive income	Amortised cost
Non-current investments	-	-	0.00	-	0.17	-
Mutual fund investments	7.02	-	-	13.02	-	-
Other non-current financial assets	-	-	13.44	-	-	12.55
Trade receivables	-	-	3.04	-	-	3.59
Cash and cash equivalents	-	-	15.71	-	-	9.48
Bank balances other than above	-	-	67.00	-	-	93.50
Loans to employees	-	-	0.08	-	-	0.02
Derivatives	-	-	-	0.33	-	-
Other current financial assets	-	-	2.77	-	-	5.37
<b>Total</b>	<b>7.02</b>	<b>-</b>	<b>102.06</b>	<b>13.35</b>	<b>0.17</b>	<b>124.51</b>

Financial liabilities	As at 31 March 2026			As at 31 March 2025		
	Fair value through profit/loss	Fair value other comprehensive income	Amortised cost	Fair value through profit/loss	Fair value other comprehensive income	Amortised cost
<b>Non-current financial liabilities</b>						
Borrowings	-	-	-	-	-	300.00
Lease liabilities	-	-	3.60	-	-	5.31
Other financial liabilities	-	-	111.26	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	-	407.25	-	-	20.75
Lease liabilities	-	-	1.80	-	-	1.80
Derivatives	2.69	-	-	-	-	-
Trade payables	-	-	121.06	-	-	79.74
Operational buyers credit/supplier's credit	-	-	208.43	-	-	165.70
Other financial liabilities	-	-	360.60	-	-	95.91
<b>Total</b>	<b>2.69</b>	<b>-</b>	<b>1,214.00</b>	<b>-</b>	<b>-</b>	<b>669.21</b>

B. Fair value hierarchy

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

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) 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).
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The below table summarises the categories of financial assets and liabilities as at 31 March 2026 and 31 March 2025 measured at fair value:

As at 31 March 2026

(₹ In Crores)

Financial assets	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>At fair value through other comprehensive income</b>			
Investments	-	0.00	-
<b>At fair value through profit or loss</b>			
Mutual fund investments	7.02	-	-
Derivatives	-	-	-
<b>Total</b>	<b>7.02</b>	<b>0.00</b>	<b>-</b>
<b>Financial liabilities</b>			
<b>At fair value through profit or loss</b>			
Derivatives	-	2.69	-
<b>Total</b>	<b>-</b>	<b>2.69</b>	<b>-</b>

As at 31 March 2025

(₹ In Crores)

Financial assets	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>At fair value through other comprehensive income</b>			
Investments	0.17	0.00	-
<b>At fair value through profit or loss</b>			
Mutual fund investments	13.02	-	-
Derivatives	-	0.33	-
<b>Total</b>	<b>13.19</b>	<b>0.34</b>	<b>-</b>
<b>Financial liabilities</b>			
<b>At fair value through profit or loss</b>			
Derivatives	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**C. Risk management framework**

A Company is exposed to uncertainties owing to the sector in which it is operating. The Company is conscious of the fact that any risk that could have a material impact on its business should be included in its risk profile. Accordingly, in order to contain / mitigate the risk, the Company has an approved risk management policy which is reviewed by the management from time to time.

The Company's risk management framework is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan. Major risks in particular are monitored regularly at Executive meetings of the Company to keep abreast of such issues and the Policy is reviewed by the management.

The Company's management monitors compliance with the Company's risk management policy and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The management is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc review of risk management controls and procedures, the results of which are reported to the management.

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its financial obligations, and arises principally from the Company's receivables from customers.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

The Company maintains its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit rating on a timely basis.

The gross carrying amount of trade receivables is ₹ 3.04 Crores (31 March 2025 ₹ 3.59 crores)

The Company's management also pursues all options for recovery of dues wherever necessary based on its internal assessment. A default on a financial asset is when counterparty fails to make payments within 365 days when they fall due.

**ii. Liquidity risk**

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

**- Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

(₹ In Crores)

Particulars	Carrying amounts 31 March 2026	Contractual cash flows				
		Total	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
<b>Financial liabilities</b>						
Borrowings (Vedanta Limited)	400.00	400.00	400.00	-	-	-
Borrowings (Banks)	7.25	7.25	7.25	-	-	-
Interest payable on borrowings	51.57	89.27	89.27	-	-	-
Trade payables	121.06	121.06	121.06	-	-	-
Operational buyer's credit/ supplier's credit	208.43	208.43	208.43	-	-	-
Lease liabilities	5.41	7.61	2.30	2.30	1.41	1.60
Other financial liabilities	309.03	309.03	309.03	-	-	-
Derivatives	2.69	2.69	2.69	-	-	-
<b>Total Financial liabilities</b>	<b>1,105.44</b>	<b>1,145.34</b>	<b>1,140.03</b>	<b>2.30</b>	<b>1.41</b>	<b>1.60</b>

(₹ In Crores)

Particulars	Carrying amounts 31 March 2025	Contractual cash flows				
		Total	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
<b>Financial liabilities</b>		-				
Borrowings (Vedanta Limited)	300.00	300.00	-	300.00	-	-
Borrowings (Banks)	20.75	20.75	20.75	-	-	-
Interest payable on borrowings	21.05	80.54	3.40	77.15	-	-
Trade payables	79.74	79.74	79.74	-	-	-
Operational buyers credit	165.70	165.70	165.70	-	-	-
Lease liabilities	7.11	9.79	2.30	2.30	3.57	1.62
Other financial liabilities	74.86	74.86	95.91	-	-	-
<b>Total Financial liabilities</b>	<b>669.21</b>	<b>731.38</b>	<b>367.79</b>	<b>379.45</b>	<b>3.57</b>	<b>1.62</b>

**iii. Market risk**

Market risk is the risk that changes in market prices, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**iv. Equity price risk**

The Company doesn't have any of securities listed on any national or international stock exchange. Hence, there is no Equity Price Risk.

(This space has been intentionally left blank)

**v. Currency risk**

Foreign currency risk is the risk that fair value of future cash flow of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has foreign currency trade payables and receivables and is therefore, exposed to a foreign exchange risk. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is managed through a forecast of highly probable foreign currency cash flows.

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Particulars	As at 31 March 2026				As at 31 March 2025		
	USD	EUR	AUD	JPY	USD	EUR	AUD
<b>(Amount in Crores)</b>							
<b>Financial asset</b>							
Derivative*	-	-	-	-	1.38	2.86	0.01
<b>Net exposure to foreign currency risk (assets)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.38</b>	<b>2.86</b>	<b>0.01</b>
<b>Financial liabilities</b>							
Trade payables & capex creditors	0.08	3.16	0.01	-	0.00	0.20	-
Buyers credit	0.03	0.64	-	-	0.05	0.15	-
Derivative*	0.23	2.73	0.01	12.07	-	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>0.34</b>	<b>6.53</b>	<b>0.02</b>	<b>12.07</b>	<b>0.06</b>	<b>0.35</b>	<b>-</b>

\* Derivatives – The Company enters into derivative contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction.

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March 2026 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Pre-tax profit or (loss)	
	Strengthening	Weakening
<b>31 March 2026</b>		
5% movement		
USD	(0.02)	0.02
EUR	(0.33)	0.33
AUD	(0.00)	0.00
JPY	(0.60)	(0.60)
<b>31 March 2025</b>		
5% movement		
USD	0.07	(0.07)
EUR	0.13	(0.13)
AUD	0.00	(0.00)

**vi. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

**Following are the details of the Interest Rate for different financing arrangements :**

Loan from holding company	Fixed
Short term loan from bank	Fixed
Bills discounted- 1 Month SOFR+120 BPS	Floating
Buyer's credit- 3M EURIBOR + 140 BPS to 3 Month SOFR+170 BPS	Floating

**Sensitivity analysis of interest rate risk**

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

**The Company's financial assets and liabilities are as given below:**

Particulars	Total	Floating rate	Fixed rate	Non-interest bearing
<b>As at 31 March 2026</b>				
Financials assets	109.08	7.02	93.70	8.36
Financial liabilities	1,216.69	208.43	409.05	599.21
<b>As at 31 March 2025</b>				
Financials assets	138.03	13.02	113.05	11.96
Financial liabilities	669.21	165.70	327.86	175.64

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rate.

Considering the net financial liabilities position as at 31 March 2026 any increase in interest rates would result in a net decrease in pre-tax profit/(loss). The below analysis gives the impact of a 0.5% to 2.0% change in interest rates on floating rate financial assets/ liabilities on profit/(loss) and represents management's assessment of the possible change in interest rates.

Increase in interest rates	Floating rate	Effect on pre-tax profit/ (loss)		
		0.50%	1.00%	2.00%
<b>As at 31 March 2026</b>				
Financials assets	7.02	0.04	0.07	0.14
Financial liabilities	208.43	(1.04)	(2.08)	(4.17)
<b>As at 31 March 2025</b>				
Financials assets	13.02	0.07	0.13	0.26
Financial liabilities	165.70	(0.83)	(1.66)	(3.31)

An equivalent reduction in interest rates would have an equal and opposite effect on the company's financial statements.

**vii. Commodity price risk**

The Company is exposed to commodity price risk due to fluctuations in the prices of materials essential for its production processes, including coal, chrome ore and molasses. To manage this risk, the Company strives to pass fluctuations in commodity prices to its customers through adjustments in sale prices.

49 Corporate Social Responsibility (CSR)

The Company has incurred an amount of ₹ 1.16 crores (31 March 2025 ₹ 2.90 crores) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013:

(a) Gross amount required to be spent by the Company during the year

2% of Average Net Profit for preceeding three financial years	0.90
Less: Excess CSR expenses for FY 2024-25	0.02
	<b>0.89</b>

(b) Amount approved by the Board to be spent during the year **0.89**

(c) Amount spent during the year	For the year ended 31 March 2026	For the year ended 31 March 2025
(i) Construction/ acquisition of assets	-	-
(ii) Contribution to trust/universities	-	-
(iii) On purpose other than above	1.16	2.9
	<b>1.16</b>	<b>2.9</b>

As per the provisions of Companies Act, 2013, during the year, the Company was required to spend an amount of ₹ 0.90 crores (31 March 2025 : ₹ 3.20 crores) towards CSR expenditure. During the year, the Company has adjusted ₹ 0.02 crores carried forward from previous year and also spent ₹ 1.16 crores during the year.

(d) Nature of CSR activities

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Education	0.32	0.36
Health	0.33	0.37
Infrastructure	0.06	1.39
Water, Sanitation, and Hygien	0.27	0.43
Women Empowerment	0.06	0.21
Hygiene Management	0.04	0.03
Animal welfare	0.03	0.04
Admin & Others	0.05	0.07
<b>Grand Total</b>	<b>1.16</b>	<b>2.90</b>

(e) There are no unspent amounts in respect of ongoing projects and other than ongoing projects as on 31 March 2026.

50 Following financial ratios are disclosed:-

Particulars	As at 31 March 2026	As at 31 March 2025	% Variance	Reason
(a) Current Ratio (in times)	0.28	0.68	-58%	Decreased due to increase in current liabilities, mainly on account of increase in other current financial liabilities.
(b) Debt-Equity Ratio (in times)	1.15	0.66	76%	Increased due to increase in total liabilities, mainly on account of increase in other financial liabilities.
(c) Debt Service Coverage Ratio (in times)	16.64	3.81	336%	Increased due to improvement in EBITDA margin.
(d) Return on Equity Ratio (%)	8%	-58%	114%	Increased due to increase in profits as compared to the previous year.
(e) Inventory turnover ratio (in times)	14.76	10.88	36%	Increased due to increase in turnover and decrease in average inventory as compared to the previous year.
(f) Trade receivables turnover ratio (in times)	33.76	5.27	540%	Increased due to decrease in average trade receivables as compared to the previous year.
(g) Trade payables turnover ratio (in times)	3.23	3.39	-5%	Not applicable
(h) Net capital turnover ratio (in times)	(1.85)	(7.51)	75%	Increased due to increase in negative working capital on account of increase in other current financial liabilities
(i) Net profit ratio (%)	8%	-66%	112%	Increased due to increase in net profit on account of lower operational cost.
(j) Return on Capital employed (%)	10%	1%	1249%	Increased due to improvement of margin during the year.
(k) Return on investment (%)	8%	6%	23%	Not applicable

Formulae for computation of ratios is as follows-

Particulars	Numerator	Denominator
(a) Current Ratio (in times)	Current Assets	Current liability (excluding current maturities of long-term borrowing)
(b) Debt-Equity Ratio (in times)	Total Liability	Shareholders fund
(c) Debt Service Coverage Ratio (in times)	Net Operating Income/ EBITDA	Total debt service cost
(d) Return on Equity Ratio (%)	Net Earnings	Shareholders Equity
(e) Inventory turnover ratio (in times)	Turnover	Average Inventory
(f) Trade Receivables turnover ratio (in times)	Net Credit Sales	Average trade receivables
(g) Trade payables turnover ratio (in times)	Net Credit Purchases	Average trade payables
(h) Net capital turnover ratio (in times)	Net Annual Sales	Working capital
(i) Net profit ratio (%)	Net Profit after tax	Revenue from operations
(j) Return on Capital employed (%)	EBIT	Capital employed
(k) Return on investment (%)	Net Return	Average Investment

**51 Capital management**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt). The Company is not subject to any externally imposed capital requirements.

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

(₹ In Crores)

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents (Refer note 12)	15.71	9.48
Other bank balances (Refer note 13)	67.00	93.50
Short term investments (Refer note 6)	7.02	13.02
<b>Total cash (a)</b>	<b>89.74</b>	<b>116.00</b>
Non-current borrowings (Refer note 21 (A))	-	300.00
Current borrowings (Refer note 21 (B))	407.25	20.75
<b>Total debt (b)</b>	<b>407.25</b>	<b>320.75</b>
<b>Net debt {c = (b-a)}</b>	<b>317.51</b>	<b>204.75</b>
<b>Total equity (d)</b>	<b>1,143.33</b>	<b>1,059.84</b>
<b>Total capital (e = equity + net debt)</b>	<b>1,460.84</b>	<b>1,264.58</b>
<b>Gearing ratio (times) (c/e)</b>	<b>0.22</b>	<b>0.16</b>

**52 Disclosure related to notification of labour codes and related impact**

On 21 November 2025, the Government of India notified four Labour Codes-Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020-consolidating 29 existing labour laws. The Ministry of Labour & Employment has published draft Central Rules and FAQs to facilitate assessment of financial impact due to changes in regulations. The Company has assessed and accounted for the incremental impact of these changes with the best information available, and guidance from the Institute of Chartered Accountants of India, considering the impact is non-recurring in nature and is driven by regulatory changes, the incremental impact of ₹ 1.91 crore has been disclosed as "Statutory impact of new Labour Codes" under Exceptional Items in the financial statement for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect as and when such clarifications are issued/ rules are notified.

**53 Audit trail**

The company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further no instance of audit trail feature being tampered with was noted in respect of the software. Additionally, the Company has preserved audit trail in full compliance with the requirements of Section 128(5) of the Companies Act, 2013, for record retention, to the extent it was enabled and recorded in the respective years.

**54 Subsequent events**

There are no material adjusting or non-adjusting subsequent events.

**55 Other statutory information**

- There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)
- The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable.
- The Company uses foreign currency denominated foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to 12 months.
- No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- The Company has not traded or invested in Cryptocurrency or Virtual currency during the financial year.
- The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The Company does not have any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has not advanced any fund to intermediaries for further advancing to other person on behalf of ultimate beneficiaries for the year ended 31 March 2026 and for the year ended 31 March 2025.
- The Company has not received any fund from any person for further advancing to other person on behalf of ultimate beneficiaries for the year ended 31 March 2026 and for the year ended 31 March 2025
- The Company has not entered into any transaction and no amount is outstanding from/to companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- In current year, no revaluation has been done for property, plant and equipment and intangible assets.

As per our report on even date

For and on behalf of the Board Ferro Alloys Corporation Limited

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

(ICAI Firm's Regn.No.301003E / E300005)

**per Amit Chugh**

Partner

(ICAI Membership No. 505224)

Place : Gurugram

Date : 22 April 2026

**Pankaj Kumar Sharma**

Chief Executive Officer and

Whole Time Director

(DIN 10213819)

Place : Bhadrak

Date : 22 April 2026

**Prashuk Jain**

Chief Financial Officer

Place : Bhadrak

Date : 22 April 2026

**Sambit Kumar Sarangi**

Company Secretary

(ICSI Membership No.11105)

Place : Bhadrak

Date : 22 April 2026

**A R Narayanaswamy**

Director

(DIN 00818169)

Place : Mumbai

Date : 22 April 2026