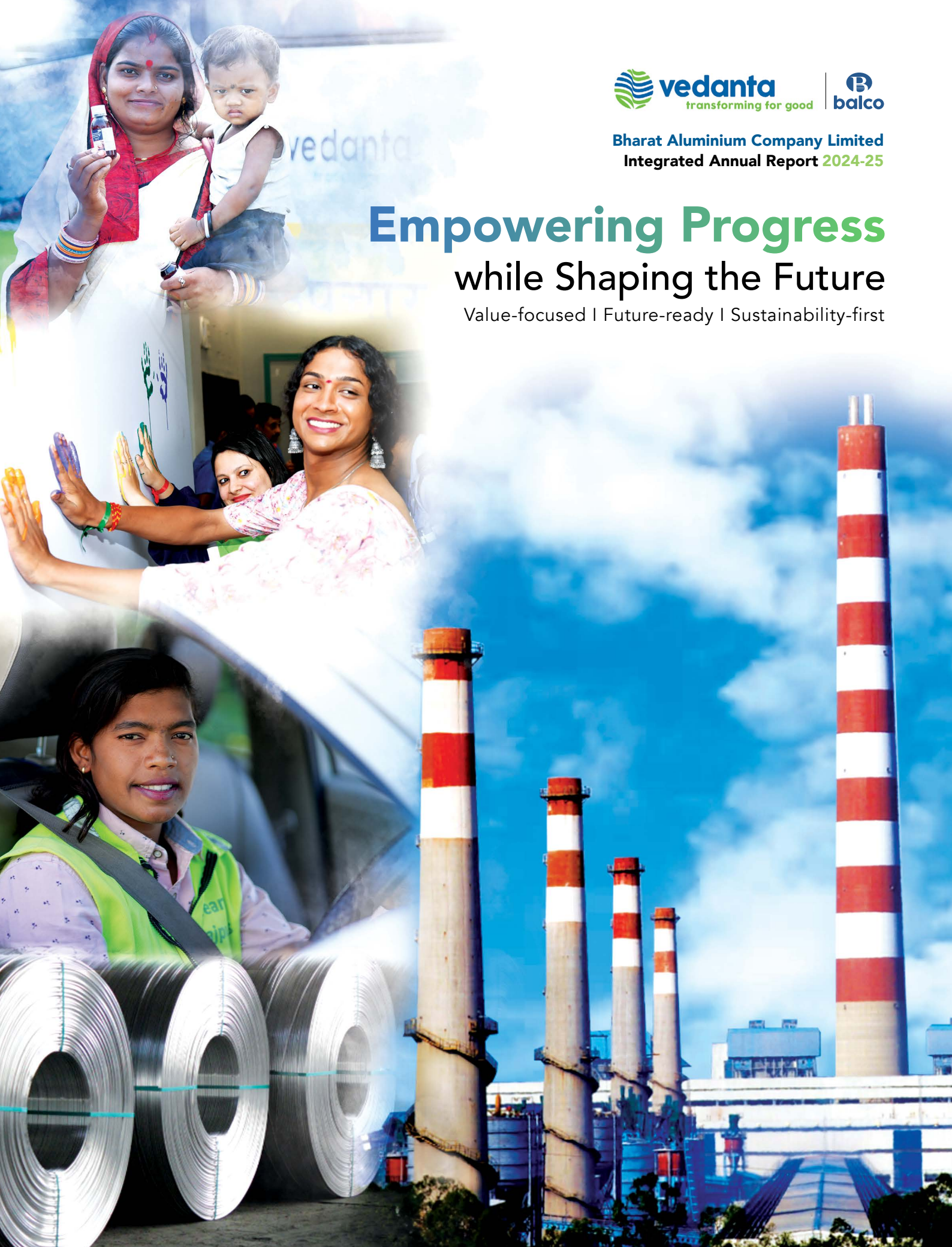


# **Empowering Progress** while Shaping the Future

Value-focused | Future-ready | Sustainability-first





# About our integrated annual report

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

This report is intended to address the information needs of our stakeholders while maintaining transparency and relevance to all key audiences. This report communicates information about Bharat Aluminium Company Limited’s governance framework, value creation plan, opportunity evaluation, material risks, operational highlights and financial performance for financial year 2024-25.

### Reporting period and framework

The reporting period for the IAR is from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025. It provides an overview of the operations and business development activities of the Company for the financial year 2024-25.

### Alignment with regulatory standards includes:

- The Companies Act, 2013
- Indian Accounting standards
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- International Integrated Reporting Council (IIRC) Frameworks
- Global Reporting Initiative Standards, 2021
- United Nations Sustainable Development Goals Principles (UN SDGs)

### Sustainable Development Goals



### Our approach to integrated thinking



### Approach to materiality

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

### Reporting Scope and Boundary

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

### Auditor’s report

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

### Forward looking statement

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







Scan QR code to see this annual report online



To know more about us visit our website : [www.balcoindia.com](http://www.balcoindia.com)

# 04-21

## Know BALCO

Empowering Progress while Shaping the Future	04
A year of progress	06
Strengthening India's industrial backbone	08
Meeting demand across borders	10
BALCO Chronicles	12
Our diverse product range	14
Chairman's communique	16
Letter from CEO	18
CFO's message	20

# 22-113

## Business Overview

BALCO's growth project	22
How we create value	24
Materiality matters	26
Engaging with our stakeholders	28
Risk-proofing our journey	32
Putting ESG at the core	34
Our ESG blueprint	36
VSF and VSAP	38
Financial Capital	42
Manufactured Capital	46
Intellectual Capital	60
Human Capital	70
Social and Relationship Capital	82
Natural Capital	100
Awards and Accolades	108
Certifications	111
Profiles of Board of Directors	112

# 114-179

## Statutory Reports

Management Discussion and Analysis	114
Notice	124
Board's Report	128
Report on Corporate Governance	165

# 180-267

## Financial Statements

Independent Auditor's Report	181
Balance Sheet	194
Statement of Profit and Loss	195
Statement of Cash Flows	196
Statement of Changes in Equity	198
Notes to Financial Statements	200



We are committed to enhancing long-term value creation through adaption, innovation and sustainability. Our customer-centric approach, coupled with our expertise in understanding their evolving needs, enables us to maintain a competitive edge in this dynamic environment.

**S. K. Roongta**  
Chairman & Independent Director

# What's inside





# Empowering Progress

**while Shaping the Future**

Value-focused | Future-ready | Sustainability-first

As India marches confidently towards becoming a global superpower by 2050, infrastructure development is poised to play a significant role. We, at BALCO, understand the key role that aluminium plays in powering the nation's industrial evolution. Capitalising on this opportunity, we are focused on delivering value through innovative manufacturing technologies and solutions.

Being a 'Value-focused' organisation, we ensure that we continuously improve the quality of our products while optimising operations to create long-term value for our stakeholders.

By embracing a 'Future-ready' approach, we have deployed advanced technology, introduced people-centric processes and maintained superior-quality standards to accelerate our growth.

Our 'Sustainability-first' strategy enables us to

align our operations with global sustainability standards, including the United Nations Sustainable Development Goals (UNSDGs). This approach enables us to drive growth responsibly, reduce environmental footprint and contribute to inclusive social progress.

Through these efforts, we are not just building a better business, we are empowering progress and shaping a sustainable future of the country.



# A year of progress

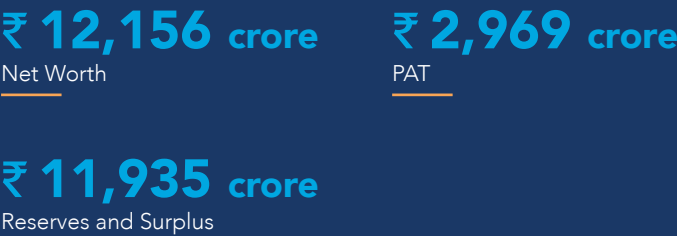
As India’s foremost aluminium producer, we, play an important role in boosting the national economy. With its products finding versatile applications across various sectors, our Company contributes 15% of the nation’s aluminium, delivering Six Lakh tonnes annually.

Backed by a 1,740 MW power capacity, we ensure seamless production, innovation and sustainability. Our values drive India’s growth-supporting sectors from infrastructure to advanced manufacturing.



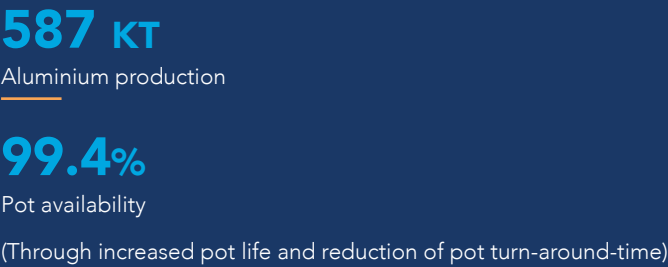
## FINANCIAL

We consistently deliver robust earnings, maintain low operating costs and generate significant free cash flows, showing our resilience and efficiency.



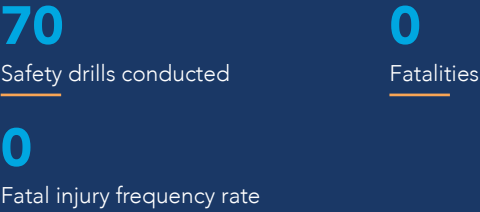
## OPERATIONAL GROWTH

We are constantly motivated on improving our costs and our quality of production in each of our business through a culture of best practice benchmarking, thereby, delivering value of the highest standard to our stakeholders.



## HEALTH AND SAFETY

We have established stringent safety protocols and continuous training programmes to ensure a safe working environment, aiming for zero fatalities and minimal injury rates.



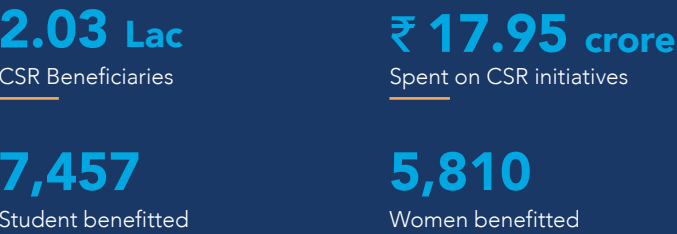
## ENVIRONMENT

We aim to reduce CO<sub>2</sub> emissions at the source and integrate environmental stewardship practices throughout our operations.



## SOCIAL

We showcase our social responsibility philosophy by investing in training programmes, promoting gender diversity and supporting local communities.





# Strengthening India’s industrial backbone

Founded in 1965 with the foundation stone laid by Mr. Jawaharlal Nehru, BALCO has played a vital role in shaping the Indian aluminium industry. Originally a public sector undertaking (PSU), BALCO’s journey took a significant turn in 2001, when the Government of India disinvested 51% of its shares to Sterlite Industries (India) Limited, now Vedanta Limited.

BALCO is part of Vedanta’s Aluminium Business, a division of Vedanta Limited, which is India’s largest producer of aluminium, manufacturing more than half of India’s aluminium.

BALCO is a leader in value-added aluminium products that find critical applications in core industries. Major operations are based in the town of Korba, Chhattisgarh, where a 1740 MW power generation facility supports both BALCO’s operations and contributes to Chhattisgarh state’s energy needs. The company is playing a crucial role in introducing aluminium as a potential alternative to other metals like steel in construction and copper in the power transmission industry. Its finishing lines are capable of producing high-quality ingots, wire rods, busbars, and rolled products, which are integral to several key sectors.

**580 KTPA**  
Production capacity

## Our Triumphs



**Integrated Aluminium industry**  
in India.



to venture into  
**+300 kA**  
Prebake pots.



to establish a  
**Captive Power Plant.**



**to roll material**  
for the aerospace  
sector in the country.



to produce  
**alloy rods for conductors**  
used in the power  
transmission industry.



to produce  
**the largest billet**  
with a diameter  
of 800 mm and  
length of 6 meters.



to set up the  
**widest Hot Rolling Mill.**



## Vision

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



## Mission

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



## Core Values

### TRUST:

We actively foster a culture of Mutual trust in our interactions with our stakeholders and encourage an open dialogue which ensures mutual respect.

### INTEGRITY:

We place utmost importance to engaging ethically and transparently with all our stakeholders, taking accountability of our actions to maintain the highest standards of professionalism and complying with international policies and procedures.

### EXCELLENCE:

Our primary focus is delivering value of the highest standard to our stakeholders. we are constantly Motivated on improving our costs and our quality of production in each of our business through a culture of best practice benchmarking.

### ENTREPRENEURSHIP:

At Vedanta, our people are our most important assets. We actively encourage their development and support them in pursuing their goals.

### CARE:

As we continue to grow, we are committed to the triple bottom line of People, Planet and Prosperity, to create a sustainable future in a zero-harm environment for our communities.

### INNOVATION:

We embrace a conducive environment for encouraging innovation that leads to a Zero harm environment and exemplifying optimal utilization of natural resources, improved efficiencies and recoveries of by-products.

### RESPECT:

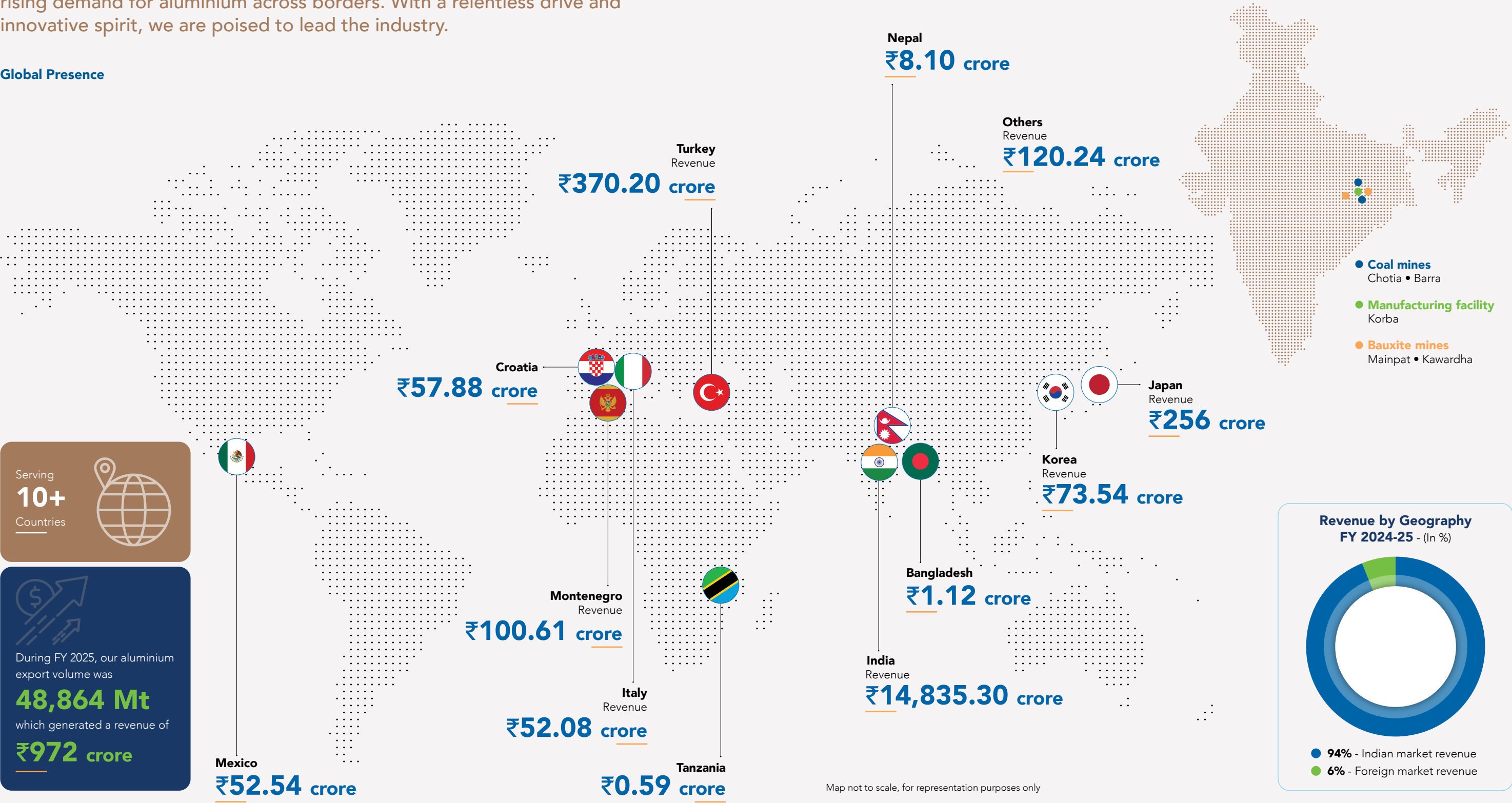
We lay consistent emphasis on human rights, respect the principle of free, prior, informed consent, while our engagements with stakeholders give local communities the opportunity to voice their opinions and concerns.



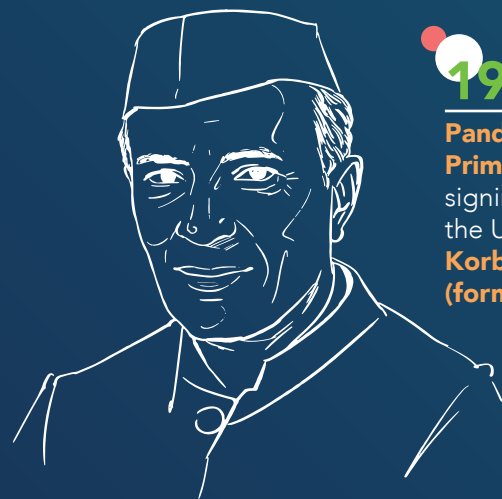
# Meeting demand across borders

Backed by innovation and powered by cutting-edge manufacturing and mining facilities in India, we are expanding our footprint and meet the rising demand for aluminium across borders. With a relentless drive and innovative spirit, we are poised to lead the industry.

## Global Presence







1965

Pandit Nehru, then Prime Minister of India signing an agreement with the USSR, formally starting **Korba Aluminium Project (former name of BALCO)**

1973

BALCO began **operations** with alumina production

1974

BALCO achieved a notable milestone by exporting **8,000 tons of alumina to the Soviet Union (now Russia)**

1975

Metal production at BALCO commenced in four phases, each adding **25,000 tons** and reaching a total of **100,000 tons**

1976

- Properzi rod production unit established **followed by billet and slab facility**
- BALCO expanded its overseas operations with **export of its first ingots (BharatAL) to Japan**

2001

**51%** of BALCO disinvested to Sterlite Industries (India) Limited

# BALCO Chronicles

2022

Foundation stone laid for expansion of designed capacity from **5.7 LTPA to 1 MnTPA**

2016

- **Smelter designed** capacity expanded to **5.7 LTPA**

2014

**First alloy ingot** production of **10 Kg**

2005

- Smelter designed plant capacity tripled from **1 LTPA to 3.45 LTPA**
- Commissioning of **Carbon Plant**





# Our diverse product range

We provide comprehensive solutions across the aluminium value chain, from mining to finished products, meeting the diverse needs of various sectors. Our commitment to quality has established aluminium as a viable alternative to other metals like steel and copper.



WIRE RODS

BALCO is one of the leading wire rod manufacturers in the world. Our mills are fully equipped with in-line degassing and filtration systems to ensure good internal metal quality and cleanliness.

Other aligned products in the same segment includes:

ALLOY WIRE RODS

2,16,997Mt

FY 2025 Production



INGOTS

BALCO produces primary aluminium ingots that are re-melted to produce a variety of end products covering the entire spectrum of aluminium applications using state- of-the-art technology.

2,50,004 Mt

FY 2025 Production



ROLLED PRODUCTS

BALCO is equipped to deliver high quality rolled products with application in automobiles, insulations, bus bars, power projects, electrical, packaging etc.

Other aligned products in the same segment includes:

HOT ROLLED COIL

COLD ROLLED COILS AND STRIPS

HOT ROLLED PLATES

COLD ROLLED SHEETS

29,643 Mt

FY 2025 Production



PRIMARY FOUNDRY ALLOY

BALCO supplies primary foundry alloys in many industry segments. The casting facility has metal treatment facilities of Degassing & Metal Filtration Unit.

77,501 Mt

FY 2025 Production



AISI T-INGOT

BALCO supplies AISI T-INGOT for application in the steel industry.

12,059 Mt

FY 2025 Production

INDUSTRIES WE SERVE



Ship Building



Medical equipment



Food packaging



Automobile



Building construction



Power infrastructure



Defence



Electronic appliances



# Chairman’s communique



We are committed to enhancing long-term value creation through adaption, innovation and sustainability. Our customer-centric approach, coupled with our expertise in understanding their evolving needs, enables us to maintain a competitive edge in this dynamic environment.

S.K. Roongta  
Chairman & Independent Director

## Dear Shareholders,

The financial year 2024-25 presented both significant opportunities and notable challenges for the global and Indian Aluminium sector. While the global economy navigated a myriad of challenges, the Indian economy demonstrated remarkable resilience, achieving a growth rate of 6.5%. Driven by robust private consumption and a surge in rural demand, India maintained its position as one of the fastest-growing economies. With India’s ongoing economic expansion, BALCO has remained steadfast in its commitment to contributing to India’s growth story. As we present to you the annual report for FY25, we are eager to share our performance and articulate our strategic goals for the future.

## Built to excel

With the Indian government focusing on infrastructure development through initiatives such as the National Infrastructure Pipeline, coupled with the ‘Make in India’ campaign, ‘Housing for All’ and the ‘Smart Cities Mission’, it has provided a substantial boost to the aluminium sector. Further, emphasis on renewable energy projects and promotion of electric mobility through schemes such as FAME, alongside rising FDI, have collectively propelled both demand and production capacity within the industry.

Leveraging our decades of expertise, BALCO has consistently maintained agility in capitalising on emerging growth opportunities. We have optimised production efficiency, invested in cutting-edge technology and pursued diversification of our product portfolio. Our achievement of record-breaking potline amperage and increased throughput in the Wire Rod Mill are tangible reflections of our dedication to meet the evolving demands of the market.

## Mapping our growth through numbers

The strength of an organisation is reflected in its balance sheets, and this year, our financial prudence has yielded exceptional results. We have significantly improved profitability and increased our margins by focusing on reducing conversion costs. Our revenue expanded by a commendable 20%, reaching ₹ 15,808 crore for FY25. On the other hand, standalone EBITDA for the year reached ₹ 4,534 crore with a margin of 29%. Profit After Tax (PAT) stood at ₹ 2,969 crore, compared to ₹ 1,385 crore in the previous year. These figures uphold our commitment to sound financial management and sustainable growth.

## Nurturing Our Growth Drivers

The success of an organisation is written by its employees. At BALCO, the determination, hardwork and indomitable zeal of our result-driven team enable us to achieve new milestones each time. To ensure our employees feel safe in the workplace, we undertake robust initiatives to promote safety and well-being. We have partnered with a leading organisation to cultivate an interdependent safety culture within the organisation. Our “Suraksha Sankalp” programme continues to be instrumental in raising safety awareness and promoting best practices. To further enhance our safety management, we have digitised our Daily Safety Report and Uncontrolled Cases on Power BI, enabling better monitoring and record-keeping.

We believe that a workplace should make their employees feel valued and connected. Through cultural integration events, appreciation days, new employee engagement initiatives and various other bonding activities, we foster joy and camaraderie, driving inclusive growth. Acknowledging the

importance of physical and mental wellness of our employees, we provide comprehensive growth through our Occupational Health Centre, well-being webinars and sports initiatives.

## Embracing a sustainability-first approach

At BALCO, sustainability transcends mere corporate responsibility, it represents a commitment to building a better tomorrow for the generations to come. We have implemented significant measures to reduce Scope 3 emissions by increasing the percentage of rail-mix in our alumina and coal logistics and transitioning a portion of our daily vehicle fleet to EVs. In our ongoing efforts to optimise ash utilisation, we have equipped 100% of our ash movement vehicles with GPS tracking devices, facilitating real-time monitoring through our Ash Control Tower.

We are also harnessing the transformative power of technology to improve efficiency and streamline operations. This includes the development of applications for tracking truck turnaround time and material-wise coal unloading, as well as systems for boiler tube leakage prediction, parameter tracking, online hotspot monitoring and coal conveyor belt monitoring.

As a responsible corporate citizen, we planted 51,523 saplings in the year, contributing to the cumulative total of over 8 lakhs planted since 2002. Further, our Corporate Social Responsibility initiatives, guided by our leadership, focused on creating long-term value for communities in key areas such as education, sustainable livelihoods, health, water and sanitation, women’s empowerment, environment and safety, sports and culture and community asset creation.

Our achievement of record-breaking potline amperage and increased throughput in the Wire Rod Mill are tangible reflections of our dedication to meet the evolving demands of the market.

## Driving long-term value creation

We are committed to enhancing long-term value creation through adaption, innovation and sustainability. Our customer-centric approach, coupled with our expertise in understanding their evolving needs, enables us to maintain a competitive edge in this dynamic environment.

Digitisation plays a vital role in efficient resource management, facilitated through real-time monitoring and optimised supply chain management. We also recognise significant opportunities in emerging sectors such as EVs and renewable energy. The increasing adoption of EVs necessitates lightweight and durable materials such as aluminium for vehicle bodies and battery casings. Similarly, the renewable energy sector, particularly solar energy, requires substantial quantities of aluminium for solar panel frames and supporting structures. We are actively exploring and developing tailored strategies to capitalise on the growing demand from these sectors.

## Building a better tomorrow

True progress requires consistent hard work, strategic agility and an unswerving drive to surpass set

expectations. For BALCO, FY25 has been a year of significant progress and robust performance. We have successfully navigated the evolving industry landscape, optimised operational efficiencies and advanced our sustainability agenda, all while contributing meaningfully to India’s development.

I extend my heartfelt gratitude to my stakeholders for their unwavering support. We remain confident in our ability to capitalise on growing opportunities and create long-term value for all.

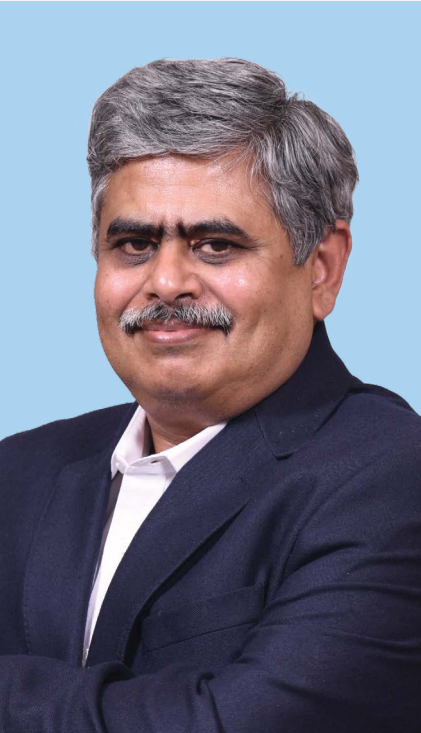
Let us stride ahead with confidence, together.

Regards,

S. K. Roongta  
Chairman and Independent Director



# Letter from CEO



We are exploring and investing in cutting-edge technologies for both of our power and metal operations. This strategic focus aims to achieve a dual objective—further optimising operational processes and reducing our environmental footprint.

**Rajesh Kumar**  
Chief Executive Officer

Dear Shareholders,

The financial year 2024-25 presented a dynamic landscape for the aluminium industry. Globally, the industry recorded a surge in demand, driven by interest rate reductions in key economic regions such as the EU and the US. India experienced robust growth in aluminium demand, fuelled by increased infrastructure investments and the government’s proactive policies designed to support the nation’s growth as a global manufacturing hub as a part of Atmanirbhar Bharat. As India’s foremost aluminium producer, we have meticulously aligned our growth story with the nation’s ambitious developmental plans.

I am happy to report that for the year, our aluminium smelter registered the highest ever production of 587 KT of hot metal, while our revenue grew by 20% from ₹ 13,141 crore to ₹ 15,808 crore, a testament to our dedication to driving sustainable growth of our company. Expanded our domestic sales to over 90% and diversified our portfolio with a 4% y-o-y increase in our value-added products and 32% y-o-y increase NEP recording the highest ever. To effectively meet the evolving demands of the market, we adopted a slew of initiatives to ensure resilience, effectively navigating the prevailing headwinds and charting a course for sustained progress.

Delivering an All-Round Performance

Our performance is achieved through operational efficiency, continuous innovation, and sustainable value creation by our workforce, which includes 23% diversity and inclusivity. Our potline production reached an impressive 587 KT with 105% capacity utilisation, contributing \$2.4 million EBITDA, with a record amperage of 340.3 KA, pot life of 2,041 days and this achievement is coupled with reduction in our net carbon

consumption by 3 kg/MT in the last financial year.

In our Casthouse, the Wire Rod Mill demonstrated remarkable growth over the past three years, with production rising from 172 KT in FY23 to 196 KT in FY24 and reaching a record 217 KT in FY25. This growth was driven by operational excellence and mill throughput improvement from 12.5 TPH to 14.5 TPH, generating additional EBITDA of \$8.5 million. Our Value-Added Product (VAP) production increased by 4% to 337 KT, with highest Alloy Wire rod, EC wire rod and high purity ingots production. Achieved operational agility and customer confidence by reducing Turnaround Time (TAT) in Finished Goods Logistics from 15.5 to 5.5 hours.

Our Carbon operations delivered record-breaking green anode production of above 336 thousand anodes with an inventory of 14 thousand anodes. We established an industry benchmark in Bake Oven specific fuel consumption of 42.1 L/MT. BALCO achieved a saving of ₹ 9.5 crore annually through Anode weight reduction by 8 kg/MT (from 1,028 kg to 1,020 kg).

Our Power operations registered record Power EBITDA reaching \$65 Mn (₹ 560 crore), supported by double grid connectivity, highest IPP PLF of 79% and first low-cost IPP Shakti coal receipt. Power 1740 MW operations achieved highest ever PLF of 79% exceeding the previous best of 78.1% in FY20. Smelter Power operating cost reduced by 70 \$/T achieving the lowest in last four years, by coal cost reduction through strategic coal bidding, Chotia mines smooth closure, coal GCV improvement by 450~500 kCal by improving rail co-efficient mix from 45% to 61% in FY25 through induction 3 BOBRN rakes under GPWIS with GPS tracking system.

BALCO started harnessing Renewable energy from Serentica Renewables from Oct’24, contributing 177 million units RE power in FY25. Our BALCO Power network reliability got strengthened by commissioning new gas-insulated switchyard (GIS) in Jan’25 and also the facility enhanced power redundancy for Smelters through Second Grid Connectivity via NTPC Birsinghpur LILO circuit. Ash and coal transportation were monitored through state-of-the-art Control Tower with 100% implementation of Geofencing and GPS tracking in vehicles and own BOBRN rakes.

Putting Sustainability First

At BALCO, we are deeply committed to building a sustainable tomorrow as responsible corporate citizen. In FY25, we achieved remarkable progress in environmental stewardship and operational excellence. We relined 47 pots in our smelter operations with indigenous Copper Onsert, saving 300 KWH/MT and achieving 100% graphitisation of cathode lining, reinforcing our dedication to Net Zero Carbon. We transformed our facility into a Zero Liquid Discharge (ZLD) site by enhancing our Effluent Treatment Plant (ETP) at the Power Plant with a 400 m³/hr capacity and also started sourcing renewable solar power from Serentica Renewables beginning Oct’24.

To ensure responsible waste management, we initiated the disposal of legacy hazardous waste to Treatment, Storage, and Disposal Facilities (TSDF) and started co-processing Spent Pot Lining (SPL) Refractory in the cement industry, achieving 100% dilution and detoxification of 19 KT of legacy SPL-Carbon. Additionally, we implemented geofencing and GPS technology across all our ash transportation vehicles, monitored by our Ash Control Tower to prevent unauthorised dumping, and

Our Carbon operations also achieved milestones, delivering record-breaking green anode production and single-day production. We established an industry benchmark in Bake Oven fuel consumption, while concurrently achieving a reduction in specific fuel consumption.

signed MoUs with Shree Cement and Ultratech Cement for sustainable ash utilisation, achieving 130% ash utilisation in sustainable avenues.

Creating the Blueprint for Future Success

Building on our commitment to delivering solutions that meet the needs of modern India, our future strategies are firmly rooted in expansion across multiple fronts—geographical reach, product diversification and operational capacity. We believe our ongoing project to increase our smelter capacity from 0.58 MTPA to 1 MTPA will enable us to establish a stronger global market presence. So far, we have funded 570 Mn\$ approximately for our Growth Project through internal accruals. The introduction of new finishing lines empowers us to offer a wider range of products tailored to customer requirements.

We are implementing responsible practices across all facets of our operations, ensuring our progress does not come at the cost of the planet’s health. We have set ambitious, yet vital targets for specific power consumption and become a carbon-free green aluminium manufacturer by FY 2050.

What’s next

The word progress resonates deeply within our organisation. At BALCO, progress signifies growing from strength-to-strength, advancing towards our sustainability goals and contributing to our nation’s advancement. We remain resolute in our commitment to being an industrial catalyst and a societal ally.

We ensure our CSR strategies extend our success far beyond the boundaries of our business. By following a value-accretive approach, embracing sustainable practices and strengthening our foundation, we are confidently turbocharging towards the future.

In the end I extend my sincere thanks to all the employees for their contribution in building a resilient and agile company. I also express my gratitude to all stakeholders for their support and hope the same shall continue in future also to take the company to even greater heights.

Regards,

**Rajesh Kumar**  
Chief Executive Officer & Whole Time Director



# CFO's message





We aim to reach 1 MTPA hot metal production, sourcing 30% alumina from Vedanta's Lanjigarh refinery and transitioning to 100% value-added product sales domestically via online and ex-works channels.



**Amit Gupta**  
Chief Financial Officer

Dear Shareholders,

I am pleased to share that financial year 2024-25 was a strong one for BALCO, both operationally and financially. We exceeded our performance targets and laid a solid foundation for future growth. Our focus remained on creating long-term value for all stakeholders.

This year, we followed a disciplined approach to capital allocation, made strategic investments, and worked on improving operational efficiency. These efforts have strengthened our financial position and prepared us for sustainable growth.

Financial Wizards at Work

During the year under review, we prioritised financial prudence along with strategic growth initiatives. We focused on financial discipline, cost control, and efficient cash flow management. This helped us manage input cost volatility and strengthen our balance sheet. Key steps included consolidating OEMs, common procurement, and sourcing linkage coal efficiently.

We also achieved a significant milestone with a 20% revenue growth, reaching ₹ 15,808 crore. The company's operational profitability was strong, with EBITDA reaching ₹ 4,534 crore, delivering an EBITDA margin of 29%. Ultimately, BALCO's PAT for FY25 stood at ₹ 2,969 crore, reflecting a solid year of financial performance.

Our emphasis on financial discipline has laid the groundwork for an enhanced credit rating to CRISIL AA (Stable), and increasing business valuation. These efforts represent our commitment to delivering long-term value to our stakeholders.

Growth is in the Numbers

As India's leading aluminium producer, we're focused on building our strengths

to support the country's growth. We've invested heavily in expanding capacity and driving innovation. A key example is the BALCO Expansion Project, which includes India's first 500+ kA potline and a fully integrated plant. With advanced automated systems for alumina and coke handling, the project boosts efficiency and modernisation.

Further, we have invested in the exploration of the Barra Coal Block and partnered with Serentica Renewable (India) Private Limited ("Serentica Entities") to procure over 218 MW of Renewable Energy (RE) power. Other key upgrades include a 400 kV GIS system to improve power reliability at the smelter and automated ingot loading to boost safety and productivity. These efforts aim to raise our hot metal capacity to 1 MTPA next year, while improving efficiency and reliability for better returns.

Unlocking Fiscal Alchemy


Evolving with time

Our partnership with Serentica Entities highlights our commitment to sustainable energy solutions. We've also improved operations through double grid connectivity, utilization of cost-effective coal, and smart procurement strategies.

Digitalisation plays a pivotal role in ensuring seamless business operations. We have implemented advanced tools such as Coal, Ash and Finished Goods Control Tower, Technological Fleet Optimisation System and AI-enabled crack detection to improve decision-making and enhance cost efficiency. These advancements, coupled with process improvements such as anode design enhancements and transition from HFO (Heavy Furnace Oil) to LSHS (Low Sulphur Heavy Stock), have reduced costs while maintaining compliance with emission norms.



We will focus on operationalising the Barra Coal Block, targeting a potential output of 4 MTPA within two years. Finally, we will maintain a robust balance sheet through strategic debt reduction initiatives. To achieve these objectives, we will leverage data integration, budgeting and forecasting tools to enhance financial efficiency and build stakeholder confidence.



Going above and beyond

We ensure a balanced approach to capital allocation. Investments in modernisation, including the complete graphitisation of traditional potlines, upgradation of the hot rolling mill and the introduction of copper-insert collector bars, mark a decisive step in enhancing our competitive edge within this dynamic landscape. Simultaneously, our sustainability initiatives, including 100% ash utilisation and the use of Electric Light Motor Vehicles and buses, uphold our responsibility towards our planet.

Our goals

BALCO has already prepared a roadmap for the next three to five years. Firstly, we aim to reach 1 MTPA hot metal production, maximizing domestic alumina sourcing and transitioning to 100% value-added product sales domestically via online and ex-works channels. Next, we will focus on operationalising the Barra Coal Block, targeting a potential output of 4 MTPA. Finally, we will maintain a robust balance sheet through strategic debt reduction initiatives. To achieve these objectives, we will leverage data integration, budgeting and forecasting

tools to enhance financial efficiency and build stakeholder confidence.

Prepared for Tomorrow

Our organisation has unlocked robust financial performance due to the tireless efforts of our exceptionally efficient team, and I am truly grateful to them. I would also like to thank our strong governance team for expert guidance, enabling the Company to emerge stronger with each challenge. Finally, I convey my deepest appreciation to our stakeholders for their unwavering support.

I am optimistic of the future that lies ahead of us. By leveraging financial discipline, targeted investments and advanced digital tools, we are building a future-ready organisation. I am confident that these concerted efforts will drive long-term value and further strengthen your trust in BALCO's journey.

Warm Regards,

**Amit Gupta**  
Chief Financial Officer



# BALCO's growth project

With a clear vision of reaching 1 million tonne per annum aluminium production, we are shaping a sustainable future, driving progress and empowering the nation's growth.

With an emphasis on encouraging indigenous production and the usage of aluminium within the country, we aim to meet the increasing demand for aluminium across industries and support the country's goal of self-sufficiency in important sectors such as infrastructure, energy and manufacturing.

USD 1.4 Billion

Estimated capex for expansion



Did you know

Post expansion BALCO's revenue is to be estimated around **USD 2 BN**

BALCO aims to deliver this project with highest current capacity ever run in India in a record timeline, which requires a focused team working on the same with focus, expertise and determination.

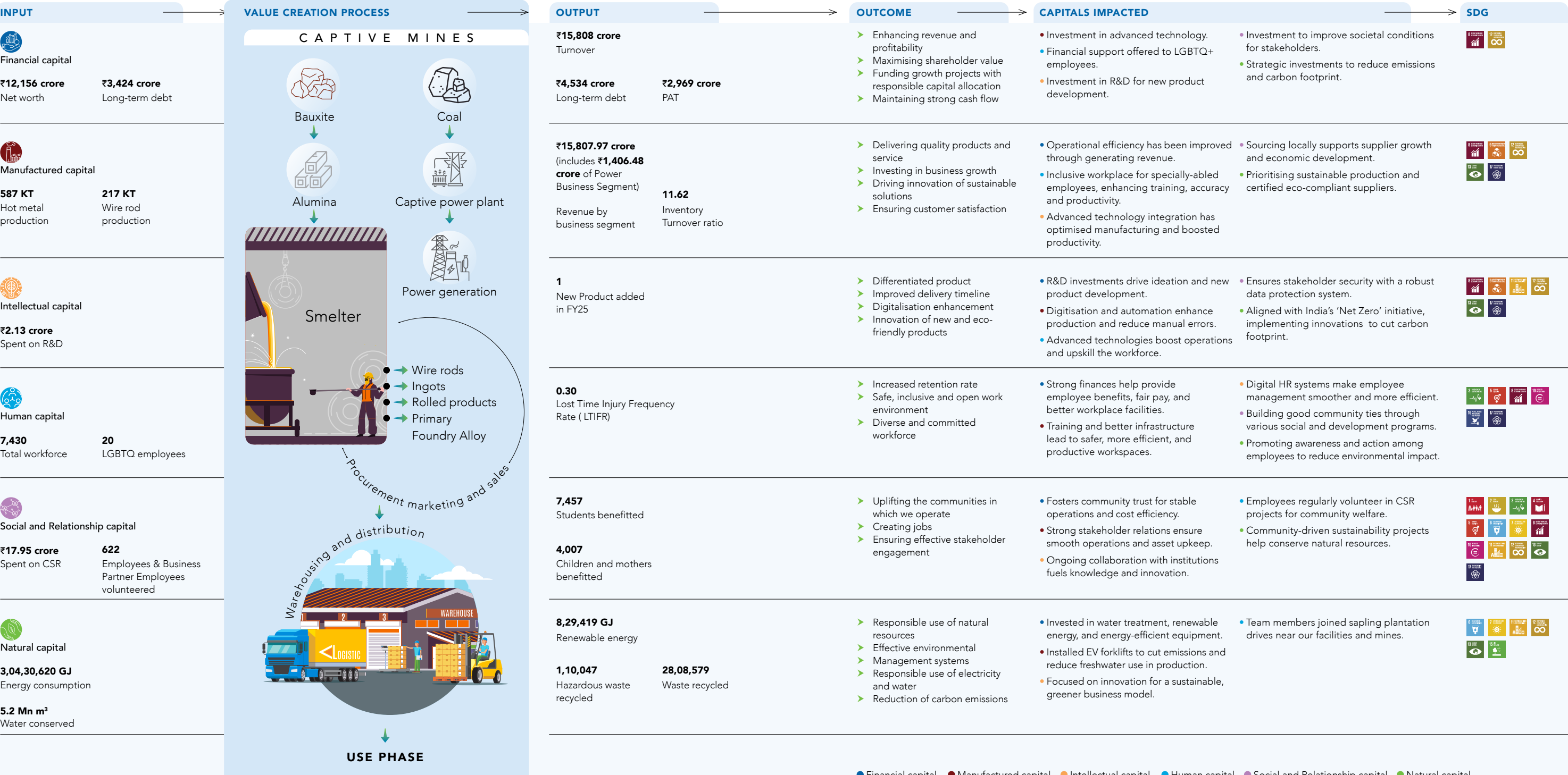




# How we create value

With a strong emphasis on encouraging domestic production and driving aluminium use in India, we want to reduce our dependency on imports while driving economic growth.

Our objective is to improve manufacturing quality by integrating new technologies, driving innovation and embracing sustainable practices to maximise value for our stakeholders.



Financial capital

Manufactured capital

Intellectual capital

Human capital

Social and Relationship capital

Natural capital

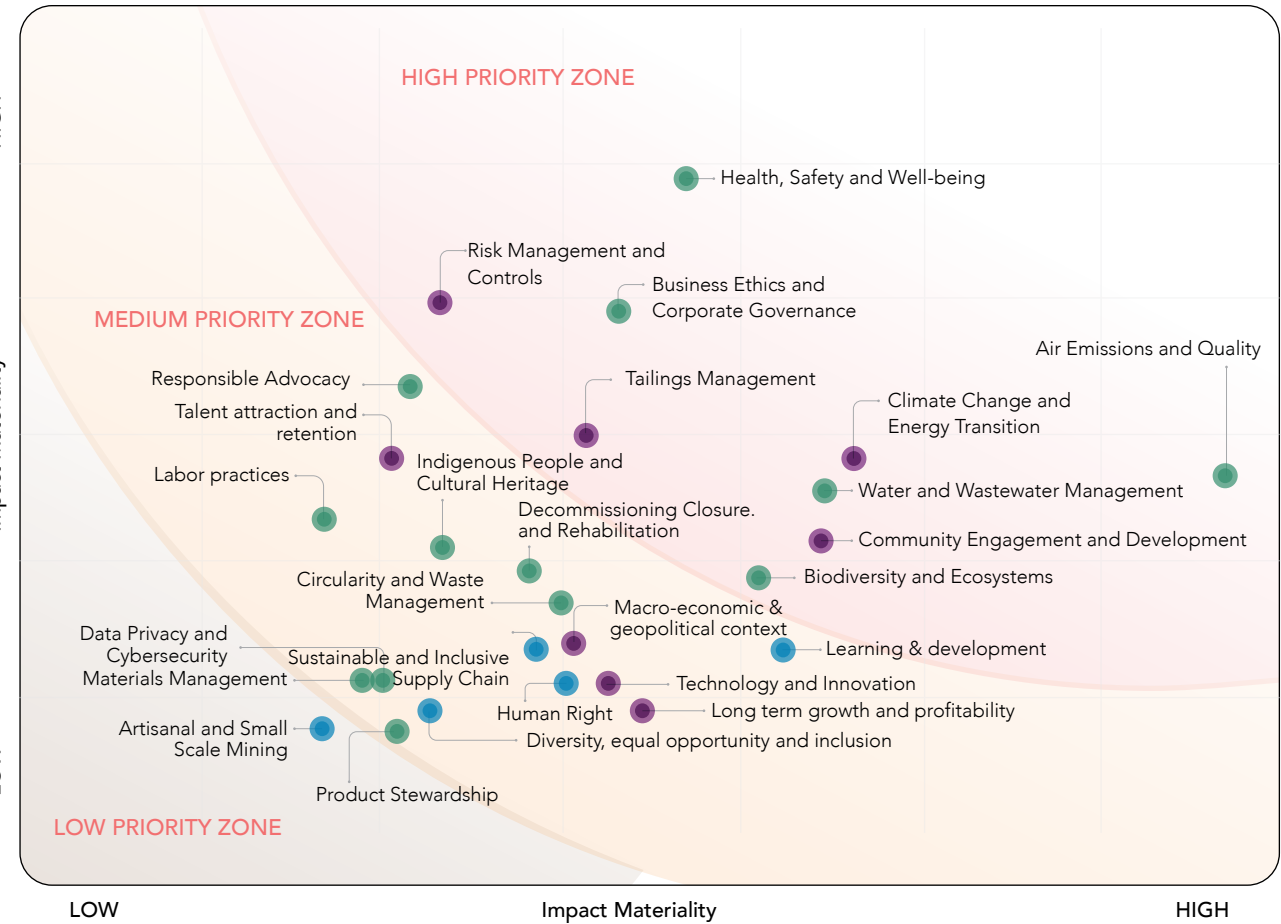
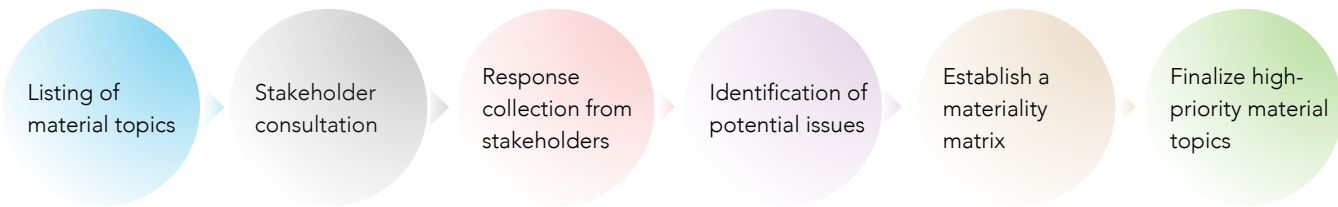


# Materiality matters

We identify and prioritise key issues through a double materiality assessment, engaging internal stakeholders across departments to gain diverse insights.

This approach helps align our sustainability efforts with stakeholder expectations, fostering greater transparency and trust. By assessing how these issues affect our operations and value creation, we are better positioned to refine strategies, manage risks, and capitalise on opportunities for long-term growth. This marked our first experience with a Double Materiality Assessment.




### Double Materiality Assessment Process



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

■ High Priority    ■ Medium Priority    ■ Low Priority

### MATERIAL TOPICS IDENTIFIED FOR BALCO

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

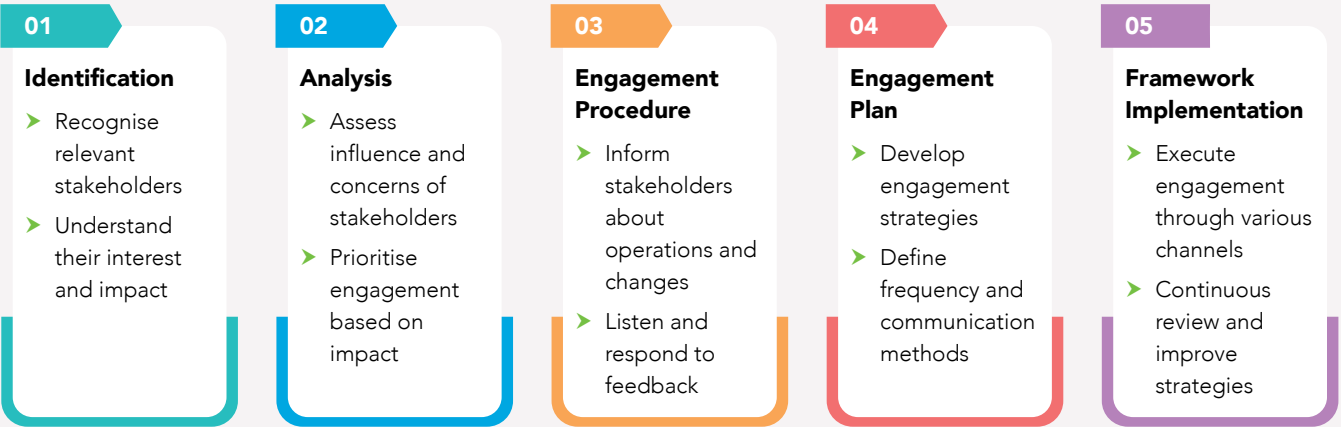


# Engaging with our stakeholders

We consider our stakeholders as essential partners in our mission to create enduring value.

This belief drives us to maintain consistent and effective communication across multiple platforms and to understand the evolving needs of our stakeholders. We seek their feedback on our performance and offerings to enhance our operational efficiency and deliver greater impact.

## Stakeholder engagement procedure



### Business and supply partners



#### Why we engage

Support us in enhancing our operations by implementing cost-effective and sustainable practices.

#### How we engage

- E-mail
- Site visits and Surveys
- Safety apex meetings
- O4R (Operate for reliability)
- SAHBHAGITA
- Monthly management review

#### Frequency of engagement

- Frequent and need-based

### Investors and lenders



#### Why we engage

Support us by providing the necessary funds and financial backing to fuel our business growth.

#### How we engage

- Annual general meetings
- Press releases
- Annual reports
- News channels
- Website updates

#### Frequency of engagement

- Quarterly and need-based
- Annual

### Employees and workers



#### Why we engage

Our people are our most valuable asset and their dedicated efforts drive our growth and profitability.

#### How we engage

- Employee engagement surveys
- Grievance mechanism
- Rewards and Recognition
- Face to-face interactions
- Cultural events
- Trainings and workshops

#### Frequency of engagement

- Monthly and need-based



Engaging with our stakeholders contd...

Customers



Why we engage

By serving our customers, we boost revenue generation and enhance brand value. Their feedback fuels our innovation and improve our operations.

How we engage

- One-on-one interactions
- Customer meetings
- E-mails
- Vedanta Metal Bazaar – Digital platform for collecting and analysing customer feedback
- Trial and improvement programs

Frequency of engagement

- Frequent and need-based

Regulators



Why we engage

Assist us in ensuring compliance and business continuity by adhering to local laws and regulations.

How we engage

- Reports
- E-mail communication
- Letters

Frequency of engagement

- As and when required

Communities



Why we engage

Assist in building relationships with people and paving the way for socio-economic development.

How we engage

- Co-created community development projects
- Stakeholder engagement initiatives
- Participatory planning and implementation
- Inclusive growth programs

Frequency of engagement

- As and when required





# Risk-proofing our journey

We have implemented a robust risk management framework that seamlessly aligns with our operational strategies, allowing us to effectively address potential risks and reduce performance volatility.

Our ability to comply with regulatory requirements empowers us to develop efficient risk mitigation strategies, thus protecting our business’s reputation and resilience.

Risk Management Matrix

Inherent Risk Profile						
Impact	Critical(5)					
	Significant(4)					
	Moderate(3)					
	Major(2)					
	Acceptable(1)					
		Rare(1)	Unlikely(2)	Possible(3)	Likely (4)	Almost certain(5)
	Likelihood					

Risk identification and assessment

- Assessment of risk is based on ‘Risk Matrix’ which is prepared after considering various quantitative as well as qualitative parameters. Risks are documented in ‘Risk Register’ after evaluation of risk statements and its contributing factors.
- Risk are categorized basis 6 factors i.e., ‘Financial, Health, Safety, Environment, Legal and Regulatory, Brand and Reputational’.

Risk evaluation scales and scores

- Risk assessment scale is a 5 X 5 matrix (Impact X Likelihood and occurrence in the scale of 1 to 5) which defines the various risk as ‘Critical’, ‘Significant’, ‘Moderate’ and ‘Acceptable’ (risk appetite) levels.
- Overall risk rating is arrived basis matrix followed across groups ‘Risk Score < 5 – Acceptable, Risk Score between 6 to

14 – Moderate, Risk Score between 15 to 24 – Significant, Risk Score between = 25 - Critical’.

Risk mitigation and response

- Risk identified are mapped with mitigation measures already taken by risk owners and proposed plan which will be taken in coming future.
- Each risk has a Risk Owner and Risk Mitigation owner who monitors and mitigates the risks on an ongoing basis.

Risk monitoring

- All risks documented as part of Risk management framework will be reviewed on quarterly basis. Status of mitigation plan will be presented quarterly to Management and reviewed half-yearly by the Board of Directors.

	Risk Description	Severity	Source
Environment	SOx Emission - Non- Compliance with the MOEF guidelines to keep the SO <sub>2</sub> emission level below 600 mg/NM <sup>3</sup> .	Acceptable	Internal
	Storage of hazardous waste beyond 90 days may result in legal penalties and cancellation of HWA license.	Moderate	Internal
	Current fluoride consumption not meeting the limit of 10 kg/t-Al which could result in penalties and cancellation of environmental clearance certificates and cause business disruptions.	Moderate	External
Operation	Risk of unavailability of Alumina quantity and quality could lead to higher production cost, replenishment of buffer stock and impact to NSR.	Significant	External
	Operational coal risk arises from interruptions in coal supply from CIL and price fluctuations due to reliance on SECL, with BALCO forced to rely on spot auctions for unpredictable costs. Additionally, there is a risk of low Gross Calorific Value (GCV) coal.	Significant	External
	Power Debtors (Regular & Disputes) may impact cash flow, financials and operational capability of the company.	Acceptable	Internal
	Tailing dam stability.	Acceptable	External
Financial and Regulatory	Risk of Unfavorable orders on litigations involving changes in policy/regulation or demands and Adverse outcomes of legal disputes related to land acquisition and changes in regulatory framework may lead to eviction and financial loss.	Moderate	Internal and External
	Risk of being grouped under Denied Entity List (DEL) due to non-redemption of licenses which could lead to operational disruptions and regulatory challenges and Demand notices resulting in financial loss and legal disputes.	Acceptable	External
	Challenges in debt financing, interest servicing, covenants and credit rating could lead to increased financial costs and operational disruptions.	Acceptable	Internal and External
Reputational/ Talent	Inability to retain Key talents, hire diversity candidates, retain new talent due to attrition and same may adversely impact on business and achieve strategic goals.	Acceptable	Internal
Safety	Risk of failure to provide safe working environment, unsafe practices or injuries and non-compliance of safety regulations may lead to accidents, injuries, regulatory action, litigation and reputational loss.	Significant	Internal
	Inability to maintain adequate security in the township may result in risk of encroachment by locals on vacant flats, unauthorized shops creating difficulties in eviction, electricity theft and Animal intrusion, may result in injuries and reputational damage.	Moderate	Internal
Technology and Cyber	Emerging Cyber Risks.	Acceptable	Internal
Expansion Projects & Barra Coal Block	Risk of supply delay.	Moderate	External
	Risk of delay in project execution.	Acceptable	External
	Risk of cost overruns.	Acceptable	External
	Risk of delay in preparing the Geological Report (GR) due to delay in exploration phase on account of legal and procedural issues and delay in the approval of the Prospecting License (PL).	Moderate	External
	Community resistance could delay mining operations, leading to reputational risks. It could cause delays in land access, and possible social unrest. It may lead to disruptions in project timelines.	Moderate	External



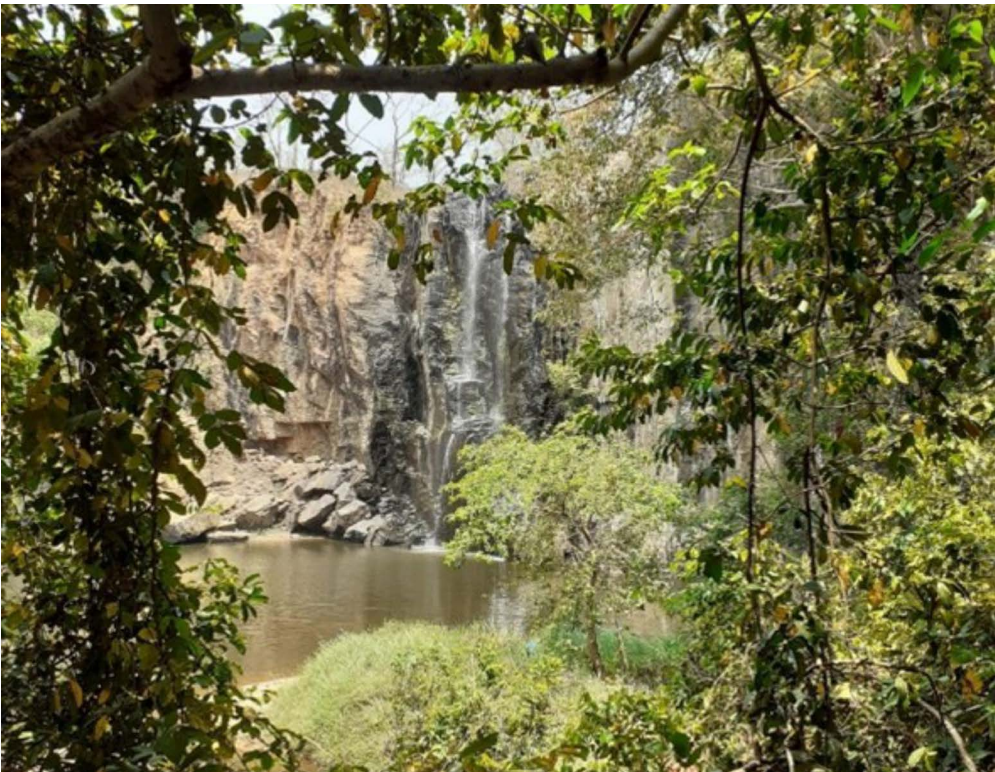
# Putting ESG at the core



We uphold environmental sustainability, social responsibility and strong governance in all our operations. We strive to reduce our environmental footprint, promote the well-being of our people and communities, and strengthen transparency and accountability in decision-making.

Our strong ESG strategy, helps us to align our business practices with evolving stakeholder expectations while making a meaningful impact on the environment and our communities.

### ESG governance

As part of our ESG efforts, we have implemented a standardised governance framework aligned with the Vedanta Group. The Vedanta ESG Committee, in collaboration with our Group Sustainability and ESG function, oversees the execution and monitoring of initiatives under our ‘Transforming for Good’ agenda. To ensure accountability and effective execution, we have established dedicated forums for management oversight and ESG-focused communities across all business units, ensuring accountability and ownership, while driving timely execution of sustainability initiatives.



ESG Communities of Practice (14 COPs)					
 Water Management	 Carbon and Energy Efficiency	 Waste to Wealth	 Bio-diversity	 Communities and Social Performance	 People
 Communications	 Health	 Supply Chain	 Acquisition/ Finance	 Expansion	 Tailing Dams
 Security	 Safety				



### About Sustainability Policies

To uphold sustainability and align with ESG principles, we have introduced a comprehensive set of policies designed to enable a healthy environment and promote social well-being, both within our organisation and the communities we serve.

 HSE&S (Health, Safety, Environment and Sustainability) Policy	 Energy and Carbon Policy	 Water Management Policy	 Biodiversity Policy
 Social Policy	 Human Rights Policy	 HIV/AIDS Policy	 Supplier and Contractor Sustainability Management Policy
 CSR (Corporate Social Responsibility) Policy	 Product Stewardship and Innovation Policy	 Strategic Asset Management Policy	





Our ESG blueprint



Environment

	Goal	Current Status	Target to reach
Carbon Intensity	Reduction by <b>25%</b> by FY 2030	<b>15.93 tCO<sub>2</sub>/t</b> Percentage reduction from FY24-FY25: <b>1.55%</b>	<b>Net Zero</b> by FY 2050
Water Management	<b>Net water positive</b> by FY 2030	<b>0.106</b> water positivity increased by <b>25%</b> as compared to FY24	<b>1</b> by FY 30
Waste Management	<b>Zero waste</b> by FY 2026	<b>131%</b> ash utilization in FY 2025	<b>125%</b> ash utilization in FY 2026
Renewable Energy Mix	Achieve <b>30% RE Mix</b> by FY 2030	<b>2.68%</b>	<b>30%</b> by FY 2030

	Goal	Current Status	Target to reach
Safety	<b>Zero fatality</b>	<b>Zero fatality</b>	<b>Zero fatality</b>
Community Development	<b>Families</b> Impacted	<b>21,235</b>	<b>22,973</b> targeted in FY 2026
	<b>Women and children</b> impacted	<b>3,16,321</b>	<b>3,56,321</b> in FY 2026
Diversity and Inclusion	Achieve <b>30%</b> women workforce	23%	<b>26%</b> in FY 2026 <b>30%</b> in FY 2030
	Increase LGBTQ+ to <b>50</b> in the workforce by FY 2030	<b>20</b>	<b>50</b> targeted in FY 2030



Social



Governance

	Goal	Current Status	Target to reach
VSAP Score	Consistent attainment of <b>Sustainability excellence</b>	<b>72</b>	<b>75</b> in FY 2026
Supply Chain	Local Procurement – Achieve <b>40%</b> by FY 2030	<b>31.8%</b>	<b>40%</b> by FY 2030
Code of Conduct	Achieve <b>100%</b> Code of Conduct training for employees	<b>100%</b>	<b>100%</b>
Transparency and Fairness	Continue our commitment to sustaining a fair and transparent governance process	<b>Tier 1 MAS</b> (Management Assurance) in FY 2025	Maintaining the <b>Tier 1</b>
Data Privacy and Cyber Security	Continue our commitment to data privacy and cyber security compliances	<b>Zero</b> data breach and cyber security incidents	<b>Zero</b> data breach and cyber security incidents



# VSF and VSAP

To meet stakeholder expectations, we utilise the strength of our financial, manufactured, intellectual, human, social and relationship, and natural capital.

Integrating these core pillars ensures resilience, innovation and value generation across all aspects of our business. Our holistic strategy allows us to navigate evolving challenges, create long-term value and contribute to economic and social progress while ensuring environmental stewardship.

Governance | Safety & Occupational Health | Environment | 360° Project Management

RESPONSIBLE STEWARDSHIP

Responsible governance supports relationship building

Ensuring effective business processes for robust compliance and risk management, protecting health and safety of our employees and managing our environmental impacts

STRATEGIC COMMUNICATIONS

ADDING & SHARING VALUES

Value helps us maintain a license to operate

Ensuring direct and indirect positive impact to employees, communities, investors, suppliers and the government

Employees | Communities | Shareholders & Lenders | Government | Industry Supply Chain | Customers

BUILDING STRONG RELATIONSHIPS

Relationships enable us to contribute to a wider society

Engaging effectively with our diverse stakeholders to foresee and manage relevant risks, opportunities and challenges

Stakeholder Engagement | Human Rights | Neighbourhood Dialogue

LEVEL 1

Sustainable Policies

LEVEL 2

Management standards

Technical standards

Safety Performance Standards

Environment Performance Standards

Social Performance Standards

LEVEL 3

Guidance notes

Vedanta Sustainability Assurance Process

VSAP (Vedanta Sustainability Assurance Process) is a dedicated tool designed to assess sustainability risk and evaluate the alignment of our various businesses with the Vedanta Sustainability Framework. This assurance model consists of specialized modules covering key areas such as environmental impact, health and safety, community relations, and human rights.




To maintain the robustness of our assurance system, we follow a structured approach. This includes monitoring and documenting corrective and preventive measures, as well as conducting periodic formal audits carried out by independent external experts.

VSAP operates on an annual cycle, with oversight from the Sustainability Committee and the Executive Committee, who

track performance outcomes and report findings to the Board. Where gaps are identified, we implement targeted management plans and corrective actions. The progress of these initiatives is continuously monitored, assessed, and recorded to ensure sustained improvement.

Through this process, we identify and highlight both successes and failures, facilitating valuable opportunities for cross-learning. By sharing lessons learned across our organization, we continuously strive to improve our sustainability performance.

13 pillars of VSAP

 Compliance	 Leadership	 Objectives and Targets	 Competency and Training	 New Projects	 Environment
 Incident Investigation	 Safety Management	 Occupational Health	 Management of Change (MoC) and Process Safety	 Supplier and Contractor Management	 Assessment and Continual Improvement
 Social Sustainability & Stakeholder Engagement					



# Strengthening Business Foundations with Effective Capital Allocation



Financial capital

Page  
42-45



Manufactured capital

Page  
46-59



Intellectual capital

Page  
60-69



Human capital

Page  
70-81



Social and Relationship capital

Page  
82-99



Natural capital

Page  
100-107





We strive to maximise the efficiency of our financial resources to drive long-term returns on investments. Our focus remains on benchmarking financial performance, mitigating risks and creating greater value for stakeholders. This strategic approach has led to well-planned investments while ensuring prudent fund allocation to support our growth aspirations.

**Material Topic**

- Long-term growth and profitability
- Responsible advocacy
- Macro economical and geopolitical context
- Risk management and controls

**SDGs covered**



# Financial Capital



Financial capital contd...

Financial highlights during FY 2024-25

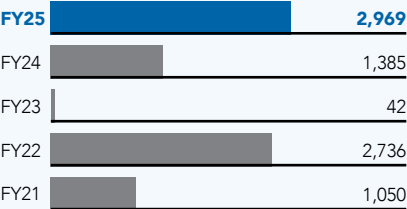
Revenue from operations

(₹ in crores)



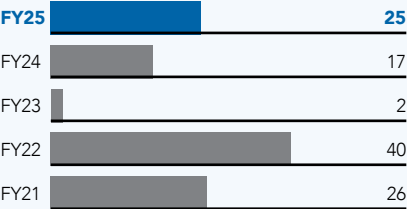
PAT

(₹ in crores)



ROCE

(% )



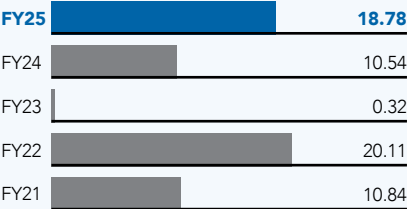
EBITDA

(₹ in crores)



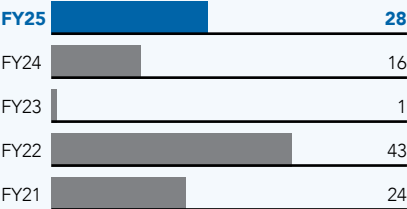
Net profit margin

(in %)



ROE

(%)



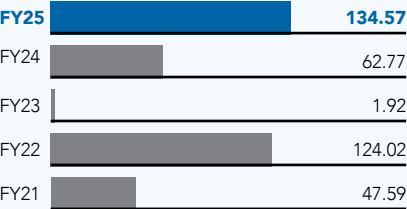
EBITDA margin

(in %)



Earning Per Share (EPS)

(in ₹)



During FY 2025, we have achieved credit rating of AA/Stable (pronounced as Crisil Double A Stable) for the long-term borrowing, as rated by CRISIL Ratings Limited. This progression marks a noteworthy achievement in BALCO's commitment to enhancing its financial health, governance standards, and compliance practices.

Committed to strategic capital investment

BALCO remains aligned to strategic capital investment to expand operational capacity and drive long-term growth. With an estimated CAPEX of approximately ₹11,816 crores, the expansion project is designed to optimise resource allocation across different phases. This investment will position BALCO among the elite 1 million Tonnes Per Annum (MnTPA) aluminium smelter club at a single location, making it the second-largest aluminium smelting unit in India, following our Jharsuguda plant.

₹11,816 crores

Capital investment

Creating holistic value

Our investment strategy is designed to enhance long-term value creation while optimising profitability. A key initiative driving this effort is our increased focus on Value-Added Products (VAP). Following the expansion, BALCO is set to achieve over 100% VAP portfolio coverage, a significant leap from the current 57%, ensuring enhanced profitability and a diversified product portfolio.

Moreover, the expansion is projected to contribute over USD 2 billion in revenue, marking a substantial growth milestone. Our approach remains deeply rooted in balancing immediate financial gains with sustainable value creation for all stakeholders.

Driving Stability Amid Input Cost Pressures

BALCO sustained strong operational and financial performance. Strategic focus on domestic sales, value-added product contribution, and the commencement of rolled product output reflect the company's preparedness for long-term growth.

Indicator	FY 2025	FY 2024	YoY change
Production (Hot metal)	587 KT	583 KT	1%
Sales Volume	585 KT	573 KT	2%
Domestic sales mix	92%	84%	10%
VAP sales mix	57%	56%	2%

Building Financial Resilience Through Performance & Investment Discipline

A year marked by expansion, BALCO's strategy focused on scaling responsibly, managing costs, and improving operational productivity. While aluminium demand continues to grow, especially from infrastructure, renewables, and electric mobility, our focus has remained on sustainable cost reduction and market diversification.

Strategic Efficiency Gains

Through targeted initiatives in production efficiency, supply chain optimisation, and benchmarking, BALCO made significant progress in aligning cost structures with long-term growth.

Key Outcome

We successfully mitigated input cost volatility and maintained profitability, with a consistent focus on domestic sales and value-added output.

Barra Coal Block: Unlocking Cost Advantage

BALCO is advancing development of the Barra Coal Block, a long-term strategic move to ensure fuel security and lower power generation costs. Once operational, it is expected to reduce power costs substantially, supporting margin stability amid market volatility.

Operational Highlights FY25

Indicator	FY 2025
Total Saleable Production	586 KT
Domestic sales ratio	92%
VAP Share	57%
Rolled product output	Commissioned
EBITDA margin	₹63,060/MT

Free cash flow

BALCO demonstrated strong internal funding capability in FY25 by generating a positive Free Cash Flow (FCF) of ₹106 crore, despite a growth capex outlay of ₹3,258 crore This showcases our ability to self-finance major expansion projects, with project cost being funded through internal accruals. This positions BALCO as financially resilient even during high-investment cycles, ensuring no compromise on capital discipline.

Strategic Financial Architecture for De-risked growth

BALCO's growth is anchored in a well-planned financial and operational architecture that emphasises self-sufficiency, risk insulation, and long-term capital efficiency. As the Company undertakes a large-scale expansion, it has already secured critical enablers such as captive power, water, and logistics infrastructure to support future operations without additional cost burden or execution delays.

This strategic foresight ensures that growth is not dependent on volatile external inputs. With minimal reliance on external borrowings and strong internal accruals, BALCO is able to fund progress while maintaining financial stability. The combination of operational readiness and disciplined capital allocation places the Company in a unique position to scale without compromising financial strength.

Managing financial risk at BALCO

Financial resilience is at the core of our strategy. We implement a structured risk management framework to safeguard our financial health, ensuring stability amid market fluctuations. Our approach prioritises disciplined capital allocation, stringent financial controls and debt management to maintain a strong balance sheet and prevent covenant breaches.

By continuously monitoring key financial parameters, we mitigate risks associated with operational disruptions and market volatility. We ensure a robust Debt-to-EBITDA ratio and optimise asset utilisation to sustain profitability. Through proactive financial governance, BALCO remains committed to long-term stability, operational excellence and sustainable value creation for stakeholders.







As a leading aluminium producer, robust manufacturing capabilities enable us to deliver products of the highest quality. We operate state-of-the-art, multi-location facilities and utilise advanced processes to develop a range of offerings—from mining to production. Our products meet the evolving needs of customers worldwide, ensuring reliability and innovation in every product we create.

**Material Topic**

- Materials management and circularity
- Tailings management
- Land acquisition, rehabilitation and closure

**SDGs covered**



# Manufactured Capital



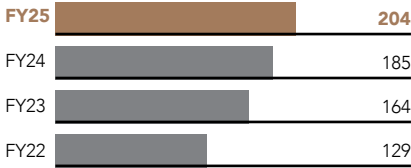


Manufactured capital contd...

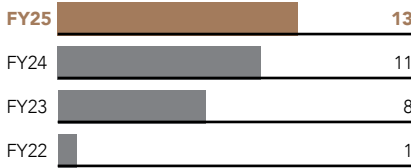
Hot metal production  
(KT)



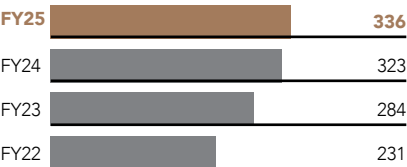
Wire rod production  
(KT)



Alloy rod production  
(KT)



Value added production  
(KT)



Alloy Ingot production  
(KT)



Manufacturing Excellence

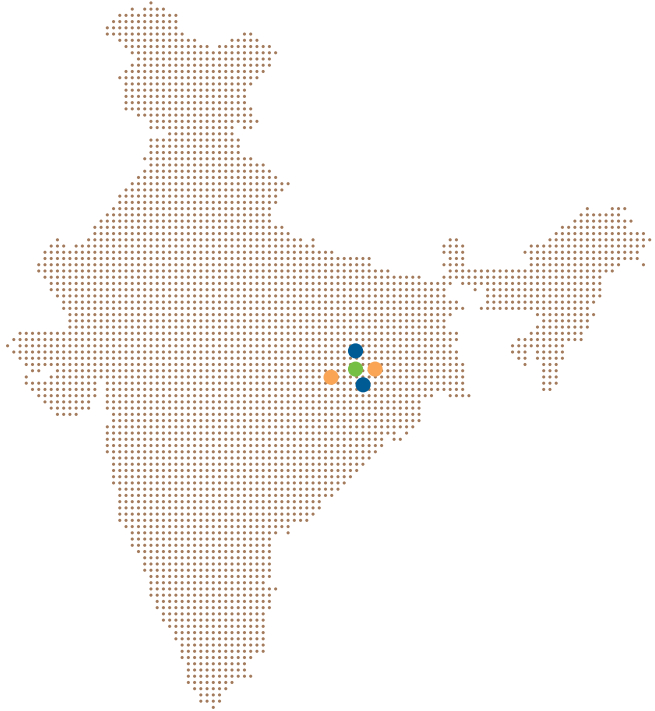
As a fully integrated aluminium manufacturer, we oversee the entire production process—from bauxite mining to smelting. Our advanced manufacturing facility in Korba, Chhattisgarh, is supported by high-quality bauxite reserves in Kawardha and Mainpat. Over the years, we have steadily increased our smelting capacity, reinforcing our commitment to efficiency and quality.

**3**  
Manufacturing plants

Ranked  
**30<sup>th</sup>**  
Global aluminium producer

**15%**  
India's aluminium production

**558 KT**  
Designed Capacity of BALCO



BALCO's world class manufacturing facility at

- Coal mines: Chotia • Barra
- Manufacturing facility: Korba
- Bauxite mines: Mainpat • Kawardha

Product wise revenue breakup  
(₹ in crores)



- 5,519.50 - Wire rods
- 794.85 - Rolled products
- 1,406.48 - Power wheeling
- 10.51 - Commodity hedging gain
- 8,076.63 - Aluminium ingot, Alloy ingot

Key Focus Area

- Smelter expansion
- Energy conservation
- Operational excellence
- Quality improvement

We have Achieved....

Reduction in turnaround time from

**15.5 hrs to 5.5 hrs**

**0**  
legacy waste spent in  
pot lining - carbon

Increased ARC  
percentage by  
**97%**





Manufactured capital contd...

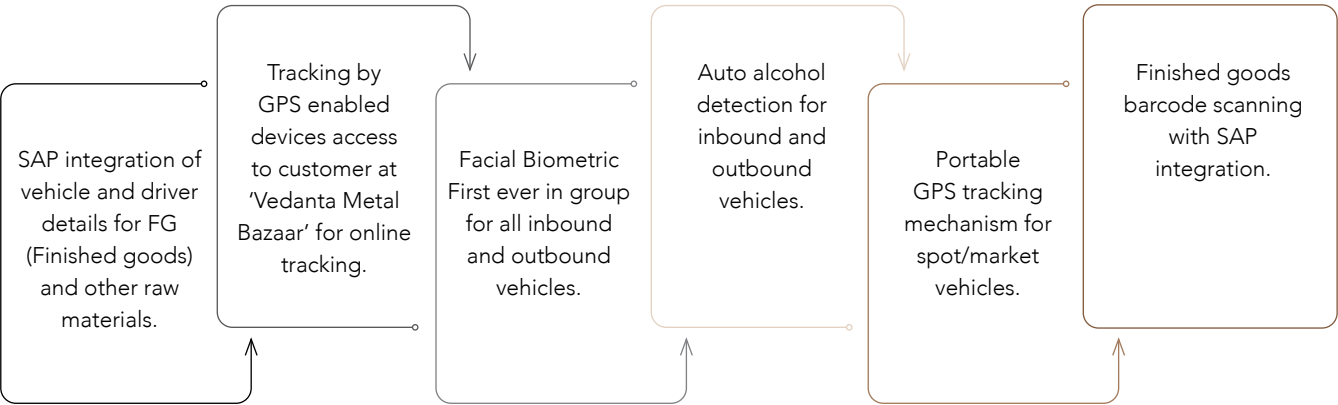
Sahbhagita: Empowering Innovation on the Shopfloor

BALCO's Sahbhagita initiative fosters a culture of innovation and collaboration among shopfloor employees. This year, a total of 1,103 initiatives were implemented, with 3,696 individuals rewarded for their contributions. The initiative generated a remarkable benefit of ₹ 10,056.16 lakhs. Employees and business partners actively participated in knowledge-sharing activities, reflecting the widespread engagement and impact of the program. The Potline Team was honored with the prestigious 'Asset Optimisation & Maintenance Reliability Rolling Trophy', setting new benchmarks in operational excellence.

3,696  
Individuals rewarded for their contributions



Advanced logistics



Asset Management

BALCO adopts a structured approach to asset optimisation, focusing on enhancing asset longevity, improving throughput and reliability, and achieving these goals in a cost-effective and sustainable manner. This policy applies to all personnel involved in the operation and maintenance of BALCO's assets.

To drive efficiency, we have implemented a systematic framework for assessing equipment performance and managing assets across Strategic Business Units (SBUs). This

approach includes criticality analysis, condition appraisals and refurbishment planning to ensure optimal asset utilisation.

Our comprehensive maintenance strategy covers key areas such as plant and equipment maintenance, utility operations, infrastructure maintenance, security, and environmental and safety compliance, ensuring seamless and sustainable operations.

Smelter

BALCO has increased potline volume by 105% of its design capacity without any CAPEX investment. This achievement has also led to a significant boost in productivity.

Looking ahead, BALCO plans to leverage digitalisation-driven manpower optimisation during the installation of its new smelter. This strategic initiative is expected to enhance production per person by 32%, further strengthening operational efficiency and workforce productivity.



Digitalisation steps to improve technological advancements

Digitalisation has become a driving force enabling our business to optimise operations, improve productivity, and maintain a competitive edge. By embracing digital technologies and seamlessly integrating them into plant processes, we can unlock new levels of efficiency, connectivity, and data-driven decision-making.

Innovation and adoption of new technology are indispensable for the sustained growth of an enterprise. Our IT systems and processes are strategically aligned to business operations, ensuring the confidentiality, integrity and availability of the data/information at all times.



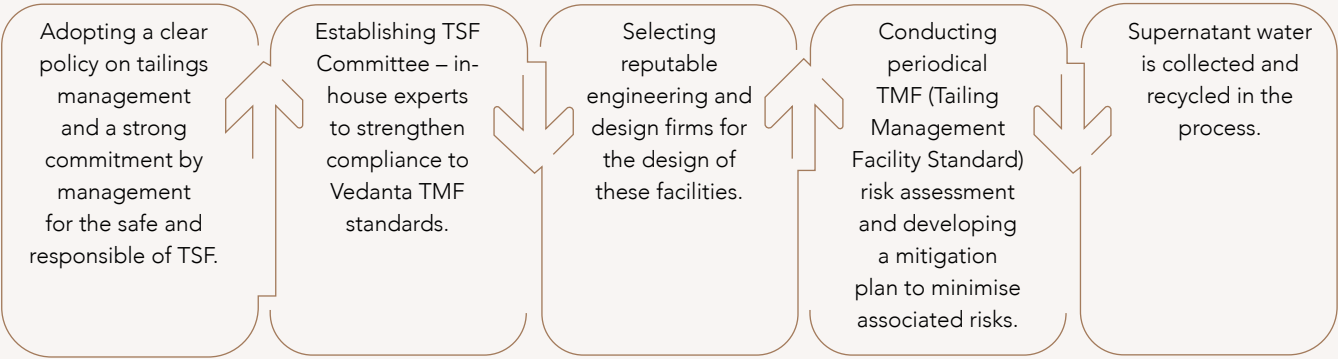
Digital Initiative	Objective	Impact
Pot controller Upgradation	Enhanced process automation and efficiency	Improved precision and consistency in smelting
Unmanned weighbridge	Automated weight tracking with high integrity	Eliminates manual errors, ensures accuracy
Condition-based monitoring	Predictive maintenance for critical equipment	Reduces breakdowns and optimises asset life
Dashboard and analytics	Real-time data analysis for decision-making	Faster response times and process optimisation
Enhanced cybersecurity	Protection of proprietary processes and data	Ensures data confidentiality and operational security



Manufactured capital contd...

TSF management

The safe and responsible management of TSF (Tailing Storage Facility) is at the core of our operational philosophy. We uphold the highest standards of care in the design, construction, operation and the closure of this infrastructure. Additionally, By continually improving the management of our facilities by developing and incorporating best practices which includes:



TSF Management Aspects	Details
Adherence to industry practices	Compliance with national and international standards considering environmental, social and economic factors over the TSF lifecycle.
Expert engagement	Competent designers and engineers from reputed institutes engaged for TSF design and construction using the most suitable technologies.
Community of practice	Group-level Tailing community of practice for awareness on tailing standards and effective TSF management.
Technical studies	Conducting CPTu, geotechnical, hydrological, rheological and dam break analyses for TSF safety.
Stability monitoring	Real-time monitoring using satellite and drone-based technologies.
Instrument-Based surveillance	Monitoring TSF stability through piezometers and survey monuments.
Dust Control Measures	Deployment of mist canons, dust suppression trucks, and water tankers to control fugitive dust at dykes and public roads.
Emergency Preparedness	Implementation of robust emergency response and preparedness plans.
International expert engagement	Engagement of EOR & ITRB for compliance with GISTM standards.
Risk Assessments	Regular risk assessments and mitigation plan reviews.
Audits and Compliance	Internal and external audits with CAPA implementation.
Greenbelt development	More than 1 lakh saplings planted on closed dykes.
Circular economy and local sourcing	Adoption of circular economy principles, local sourcing and stakeholder collaboration throughout TSF lifecycle.
Ash utilisation in infrastructure	Sustainable use of ash in NHAI projects, mine void filling, cement and brick industries; infrastructure for ash transport via rake mode.

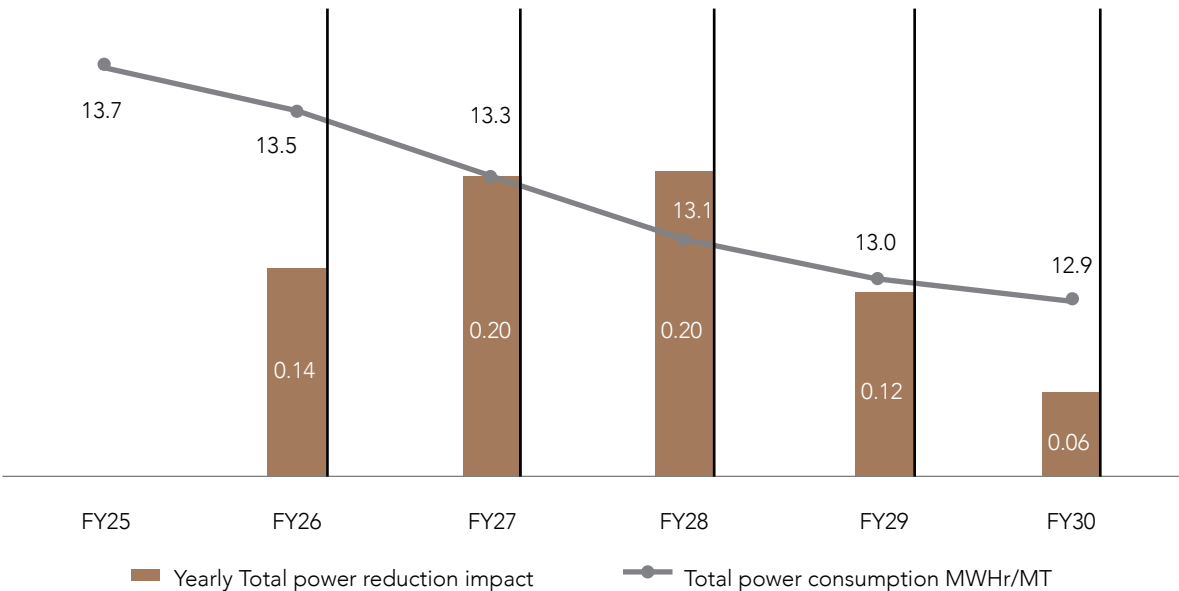
Energy efficiency and sustainability at BALCO

BALCO's current production scale ranks it among the top 30 aluminium producers globally. With the upcoming expansion, BALCO is set to become one of the top five aluminium smelters operating at a single location. Potline 1—already recognised as a global benchmark for specific power consumption— will further elevate BALCO's position by achieving over 1 million metric tonnes of production while maintaining the industry's lowest specific power consumption. This commitment will not only reinforce BALCO's operational efficiency but also position it as a global leader in greenhouse gas (GHG) reduction initiatives.

As part of its capacity expansion plan, to further optimise power consumption through targeted projects and innovative solutions. A structured roadmap has been developed to achieve specific reductions in energy usage, incorporating initiatives such as pot controller upgrades, anode drop reduction and process optimisation. These advancements align with BALCO's commitment to sustainability, ensuring enhanced efficiency while minimising its environmental footprint.



BALCO Y-o-Y specific power consumption roadmap





Manufactured capital contd...

Innovative Lining Design

- Unique energy-efficient technique, reducing energy consumption by **350-400 kWh/MT.**
- More stable pot operation with reduced collector bar resistivity.
- Annual savings of **₹10 lakh** per pot.

Indigenous pot controller

- Reduces energy consumption by **150 kWh/MT.**

Sustainability

- More than **90%** capability of reusing copper in Indian smelters.
- Online monitoring and control of emissions (Dust, HF).
- Water recycling and reuse for minimal consumption.
- Energy-efficient technologies to cut carbon footprint.
- Safe Workplace Initiatives: **‘Suraksha Sankalp,’** shift-wise safety talks on hazards and compliance.

Power and energy milestones

We believe in achieving operational excellence, improving energy efficiency and adopting sustainable practices to strengthen our power generation capabilities. Our thermal power plants reached significant milestones in power production, turbine efficiency and environmental sustainability.



Achievements

**12K million** units generated by **1,740 MW** thermal power plant with 79% loading factor

Impacts

**Highest-ever power production milestone**

Achievements

Turbine renovation and modernisation for **540 MW Unit 2** improving cylinder efficiency and reducing heat rate by 120 Kcal/kWh

Impacts

**Optimised energy efficiency**

Achievements

Mill throughput optimisation increased unit loading factor by **3%** via hydraulic system and bottom seal upgrades

Impacts

**Enhanced power plant performance**

Achievements

Air Preheater Basket Replacement improved boiler efficiency by **0.3%** for **300 MW Unit 3**

Impacts

**Reduced fuel consumption and improved sustainability**

Achievements

Cooling Tower Fills Replacement cut turbine heat rate by **7.2 Kcal/kWh**

Impacts

**Greater energy efficiency**

Achievements

Heat rate improved by **39 Kcal/kWh** for **1200 MW Units 3 & 4** post-overhauling

Impacts

**Increased power generation efficiency**

Achievements

**200 m³/hr** Reverse Osmosis (RO) plant commissioned to recycle cooling tower blowdown water

Impacts

**Enhanced water reuse and conservation**

Achievements

**200 m³/hr** Water Treatment Plant commissioned for treating water discharge from coal and ash handling plants

Impacts

**Reduced environmental impact**

Achievements

**219 MU** captive renewable energy sourced till March 2025

Impacts

**Strengthened green energy portfolio**

Achievements

**Second grid**

connection with NTPC Birsingpur LILO (Line in Line Out) established for redundancy power sourcing

Impacts

**Increased power reliability for smelter operations**



Manufactured capital contd...

Ensuring operational excellence at every step

BALCO continues to drive operational efficiency and sustainability through strategic investments, technological advancements and process optimisations. Our approach focuses on maximising power generation efficiency, optimising resource utilisation and leveraging digital tools for real-time monitoring and predictive maintenance.

Operational process improvement

Advanced filtration systems	Inclusion control	Enhanced filtration for pharma grade products	Customer-Centric Approach	Technical Collaborations
Implementing SNIF (Spinning Nozzle Inert Filtration) and four-rotor degassers to maintain hydrogen content below <b>0.180 ml/100g</b> , ensuring superior melt quality	CFF (Ceramic Foam Filter) ensures inclusions stay below <b>0.15 mm²/kg</b> , with ALSCAN and PoDFA tests conducted regularly to monitor hydrogen levels and inclusions	Upcoming DBF (Deep Bed Filtration) system to maintain inclusions below <b>6 microns</b> for high-quality foil stock	Regular customer interactions to gather feedback on product and packaging quality for continuous improvement	Partnering with customers for new product development to meet specific industry requirements and build long-term relationships

Throughout the year, we advanced our goals of sustainability and continuous improvement by implementing several key initiatives:



Initiatives for FY 2025 to enhance operations

Turbine Renovation	Mill Throughput Enhancement	Cooling Tower & Boiler Upgrades	Water Management	Renewable Energy Integration
Aimed at improving cylinder efficiency and reducing heat rate by <b>120 Kcal/kWh</b> .	Hydraulic system and bottom seal modifications led to a <b>3% increase</b> in the unit loading factor.	Air preheater basket replacements and cooling tower fill upgrades improved heat rate and efficiency.	The commissioning of Reverse Osmosis (RO) Plants enabled recycling of <b>200 m³/hour</b> of cooling tower blowdown water, furthering our water conservation efforts.	Sourced <b>219 MU</b> of captive renewable power in FY 2025, ensuring a diversified and sustainable energy mix.

Raising the bar on quality

We maintain the highest quality standards across our manufacturing operations. By implementing strict quality control systems and continuously improving our metal casting operations, we ensure the production of superior-grade products. These approaches improve our operating efficiency and also help maintain our strong reputation within the industry.

Technological Integration in Quality control

We harness the power of technology to set new benchmarks in quality and efficiency. It plays a key role in improving quality control across all stages of production. By continuously innovating and integrating advanced solutions, we turn challenges into opportunities by e optimising time, reducing effort and enhancing efficiency.

We also focus on optimising logistics costs by improving operational efficiency and promoting sustainable practices. By embracing smarter processes and better resource management, we ensure a cost-effective and environmentally responsible supply chain.



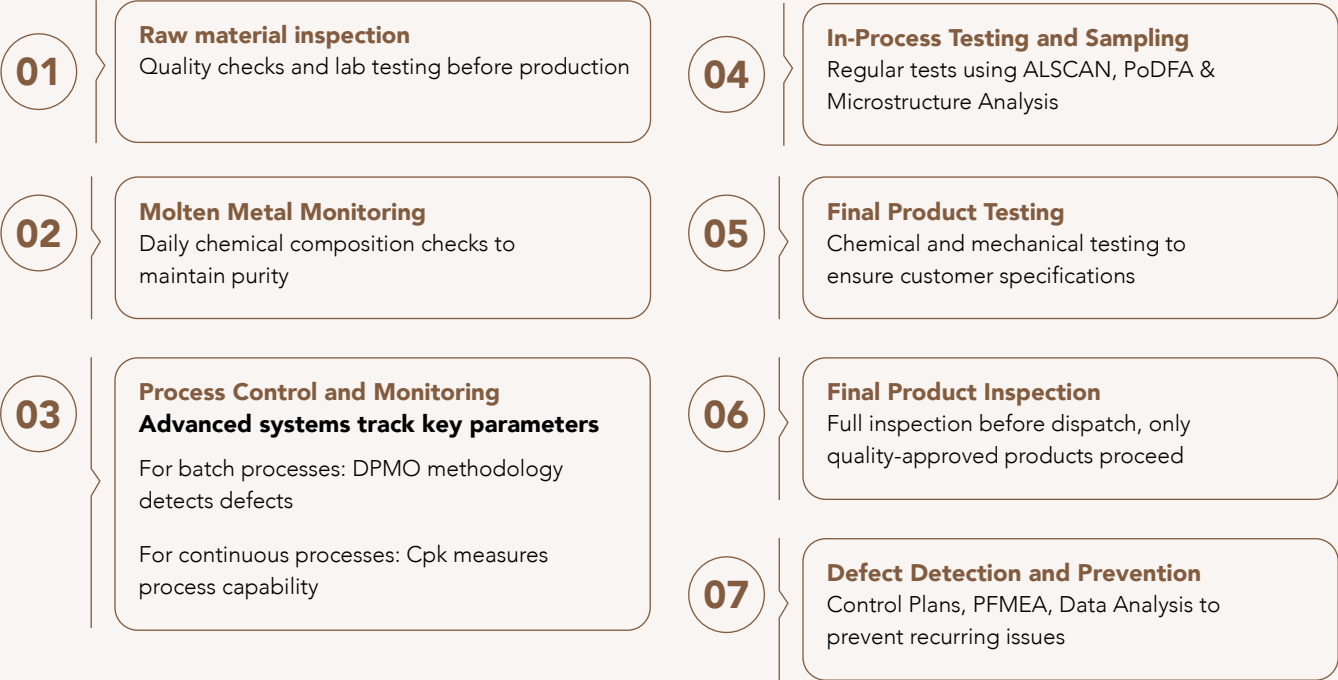
Technology used	Function	Impact on quality & Efficiency
ALSCAN & PoDFA	Monitors hydrogen levels and metal inclusions	Ensures high metal purity, reducing defects
SPC (Statistical Process Control)	Analyses process capability and stability	Minimises variations, improving quality consistency
DPMO (Defects Per Million Opportunities)	Detects defects at each process stage	Enables early corrective actions, reducing wastage
MES (Manufacturing Execution System)	Captures real-time production data	Enhances efficiency, enabling quick decision-making
QR Code Tracking	Provides unique product identification	Ensures full traceability from raw material to final product
Image Capturing and Display Systems	Monitors key production steps visually	Enables remote monitoring and quick issue resolution
Digital Monitoring in 18.5 TCM	Provides real-time oversight of rolling processes	Improves process control, ensuring product consistency



Manufactured capital contd...

Quality control process

We uphold stringent quality standards across the manufacturing process, from hot metal intake to final product delivery. Precision alloying enhances mechanical properties, with Magnesium (Mg) and Silicon (Si) improving hardness, Manganese (Mn) boosting corrosion resistance, and Titanium (Ti) and Boron (B) refining grain structure. Wire rods benefit from Tibal (Ti, B, Al) Rod for superior performance.



Strategic Investments

To enhance operational efficiency, we have undertaken various initiatives and projects which align with the strategic goals of the Company, modernise the operational infrastructure and minimise waste to prioritise long term growth. The project that are currently in process are as follows:

Project	Objective and Impact
Grid Redundancy Expansion	Establishing second grid connectivity for improved power reliability.
Capacity Enhancements	Increasing 300 MW unit capacity by <b>8% by FY 2027</b> .
Coal Mill Upgrades	Implementing advanced grinding roller and hydraulic enhancements to increase throughput and reduce power consumption.
Turbine Overhauls	Comprehensive re-blading and modernisation to reduce heat rate by <b>120-140 Kcal/kWh</b> .
Ash Handling Optimisation	Overhauling GEHO pumps and replacing discharge lines to improve efficiency and reduce losses.



Highest Ever Ash Utilization in Cement Plant: 152.9 KT of fly ash dispatched to Cement Plants of sustainable ash utilization (Last Best 87.58 KT in FY22).





We recognise the importance of innovation and adaptability in keeping pace with evolving industry demands. This drives us to enhance our R&D capabilities, integrate advanced technologies and implement state-of-the-art solutions. By continuously developing new products, we not only strengthen our sustainability initiatives but also elevate product quality and optimise production processes for greater efficiency.

**Material Topic**

- Data Privacy and Cyber Security
- Innovation and R&D
- Product Stewardship
- Risk Management & Controls
- Business Ethics & Corporate Governance

**SDGs covered**

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS



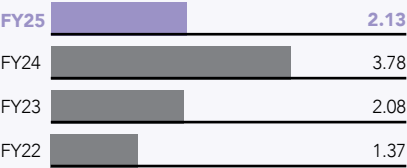
# Intellectual Capital



Intellectual capital contd...

Expenditure on R&D

(₹ in crores)



New products added

in FY 2025 (Nos)

1

Successfully developed new product EC Grade Aluminium Wire Rods, engineered for fine wire drawing up to 0.1mm, catering to critical applications in fine winding segments.

Research and Development

We shape possibilities. We are dedicated to capitalising on emerging opportunities through focused R&D initiatives. With the growing demand for aluminium in India, we recognise the importance of developing innovative, high-quality products tailored to industry needs. Our efforts are aligned with the ‘Make in India’ initiative, aiming to reduce import dependence and promote indigenous aluminium alloy manufacturing.

This strategic focus enables us to cater to diverse sectors such as defence, aerospace, marine, railways and electric vehicles, enabling self-reliance and technological advancement across the country.

Key Focus Area

- Research and development
- Digitalisation
- Data-security and integrity
- Information Technology



₹2.13 crore

Expenditure on R&D

Data analytics and advance data driven decision making

We leverage cutting-edge digital technologies to enhance operational efficiency, drive innovation and strengthen safety measures. By integrating advanced data analytics, automation and AI-driven solutions, we are transforming our processes to achieve greater precision, reliability and sustainability to redefine excellence at every step of the way.

The table below highlights key technological advancements and their applications across our operations, showcasing our commitment to continuous improvement and innovative practices.

Technology

Application

Data Visualisation Dashboards

Created using modern data analytics tools.

Artificial Intelligence (AI)

Used for decision-making and predictive analysis.

Machine Learning (ML)

Analyses equipment health trends to forecast failures.

Manufacturing Execution System (MES)

Visualises plant parameters for operational insights.

Build Operate Transfer (BOT)

Developed for MIS automation to streamline data management.

Robotic Process Automation (RPA)

Automates invoice processing for efficiency.

Video Analytics

Detects safety violations in real time.

Augmented and Virtual Reality (AR & VR)

Used for training and remote support in operations.

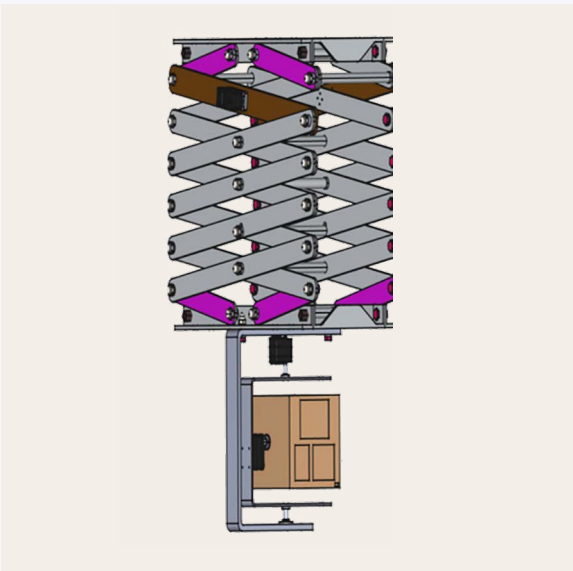
AI-driven Behaviour Analytics

Analyses workforce behaviour for safety and efficiency.

AI & Emerging Technologies Driving Smart Transformation

We continue to integrate cutting-edge technologies to improve process efficiency, enhance workforce capability, and strengthen asset reliability. The focus has now moved beyond conventional digitisation to strategic adoption of AI, machine learning, video analytics, and immersive training technologies forming the backbone of BALCO's digital transformation roadmap.

These advanced solutions are addressing complex operational challenges, reducing human intervention, improving safety, and generating real-time insights for faster decision-making. The initiatives showcased below reflect this forward-looking approach.



AI & ML Powered Flue wall Auto Inspection



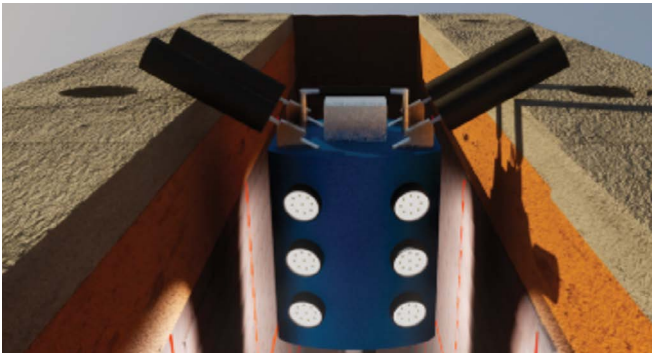
Intellectual capital contd...

Key AI & Smart Technology Deployments

Initiative	Description	Impact
Augmented & Virtual Reality-Based Training for Potline Critical Processes	BALCO has implemented an immersive training solution using AR/VR to simulate potline operations. This enables personnel to learn and practice in a controlled virtual environment.	Improved skill retention, reduced on-ground training hours, enhanced safety preparedness in critical operations.
Automated Invoice Processing for Coal Commercial Operations	An AI-powered OCR system was deployed to automate invoice extraction and GRN mapping for coal logistics.	Saves manual effort, improves accuracy in invoice matching, and accelerates SAP integration and transaction cycles.
Refractory Management – Bake Oven Using Video Analytics	AI/ML-driven camera systems monitor the fluewall health in real-time, supported by a robotic rover capturing high-resolution visuals for predictive insights.	Increases fluewall life, reduces HFO oil usage, supports proactive maintenance, and enhances operational reliability.



Augmented and virtual reality based training



Refractory Management

Digitalisation

Digitalisation has become a driving force enabling our business to optimise operations, improve productivity, and gain a competitive edge. By embracing digital technologies and integrating them into plant processes, we can unlock new levels of efficiency, connectivity and data-driven decision-making. Innovation and adoption of new technology are indispensable for the growth of an enterprise. Our IT systems and processes are aligned to business operations ensuring confidentiality, integrity and availability of the data.

Building Digital Capability

As part of its ongoing digital transformation journey, we have focused on strengthening internal capabilities through structured training programmes. Over 200 employees across levels including shopfloor teams and senior leadership have been trained on AI-driven applications in operations and maintenance.

Collaborations to enhance digitalisation efforts

Collaborations with leading technology providers such as Microsoft and Google have supported these efforts, including sessions on generative AI tools like Microsoft Copilot. The initiative has not only enhanced digital fluency but also led to the identification of 40+ potential use cases, paving the way for smarter, tech-enabled operations.



We have initiated digitalisation projects for new product development focusing on the following areas:

Key Projects

Finance - Related Party Transaction (RPT) & Taxation portal

- Deployed automated workflows for Related Party Transactions and taxation compliance.
- Improved accuracy and transparency in financial reporting and regulatory adherence.
- Reduces manual intervention through seamless SAP integrations.

Interlock bypass protection

- Digitized the process of interlock bypass management with real-time tracking.
- Enhanced safety compliance with automated approvals and audit-ready logs.
- Centralized platform reduced human error and improved process transparency.

Power Plant Condition Based Monitoring (CBM) Dashboards

- AI-enabled system for real-time monitoring of power plant health parameters.
- Enables predictive maintenance and reduces unplanned downtimes.
- Supports energy efficiency and performance optimization.

Robotic Process Automation for Finance

- Automated ~40 smelter closing files for faster financial consolidation.
- Achieved near real-time reporting accuracy within 24 hours.
- Advanced BALCO's digital finance transformation with minimal manual intervention.

SIMS (Store Inventory Management System) for Growth Project

- Launched Store Inventory Management System for unmanned zone safety compliance.
- Enabled real-time observation logging to eliminate unsafe acts.
- Centralized dashboard improved air quality tracking and safety governance.

Payroll Input Automation

- Streamlined payroll input processing through full system integration.
- Improved data accuracy and operational efficiency in HR and finance.
- Eliminated repetitive manual processes in salary computations.

BIEP (Business Innovation & Excellence Portal)

- Internal platform to track and evaluate innovative ideas and excellence initiatives.
- Drives a culture of continuous improvement across departments.
- Facilitates structured review and implementation of high-impact suggestions.

Ash Control Tower

- Centralized digital dashboard for monitoring and managing ash handling systems.
- Enhances environmental compliance and operational control.
- Supports timely dispatches and inventory tracking of ash disposal.

One day vehicle Movement

- Rolled out a digital portal for end-to-end vehicle entry and exit tracking.
- Improved logistics coordination with real-time updates for all stakeholders.
- Enhanced compliance and reduced delays in plant movement logistics.



Ash control Tower










Intellectual capital contd...

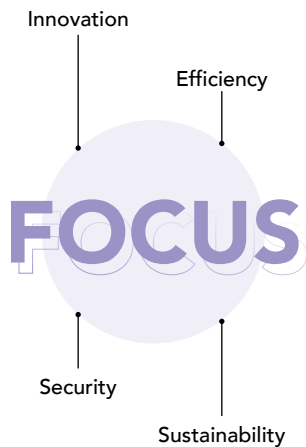
Optimising legal activities with Roznama tool

BALCO has enhanced its legal management capabilities by implementing the Roznama Legal Management Tool, ensuring real-time updates, comprehensive oversight and risk mitigation. The tool enables efficient case management, secures legal data and provides access to an extensive network of legal experts.

Features	Description
Real-Time Updates	Provides instant case status updates, ensuring timely responses to legal developments.
Comprehensive oversight	Centralised platform consolidating legal matters across multiple jurisdictions.
Network of legal experts	Access to specialised lawyers and law firms across various regions for tailored legal support.
Efficient Case Management	Organises and tracks legal documents, deadlines and communications to prevent delays.
Risk mitigation	Helps proactively address potential legal risks before they escalate.
Data security	Ensures confidentiality and integrity of sensitive legal data with controlled access.

Best practices implemented by BALCO for digital operational excellence:

 AI/ML in real time	 MES with Predictive analysis	 End - to - End control towers	 IOT- Driven insights
 Cyber security Readiness	 AR & VR- Based simulation	 TAT Reduction for Cold Rolling Mill	



Data security and integrity



Access control and monitoring

Role-based access, 24x7 CCTV monitoring, strong authentication mechanisms.



Network security

Firewalls, IDS/IPS, Network segmentation (VLANs, DMZ), data diodes.



Cyber resilience and compliance

Industry-standard frameworks (IEC 62443), vulnerability assessments, risk management.



Redundancy and data integrity

HA clusters, cryptographic hashing, digital signatures.



Incident response and continuous monitoring

SIEM-based log analysis, automated alarms, forensic analysis.

Information technology

We believe that progress is powered by collaboration and innovation. We seamlessly integrate new initiatives into our business plan through collaborative discussions with senior management and various departments. This synergy ensures that every step aligns with our vision for growth. Throughout the year, we systematically implement audit recommendations to enhance governance and efficiency. Regular capacity planning exercises optimise resource utilisation, while proactive measures address hardware and software obsolescence, ensuring technological resilience.

With continuous advancements in SAP, automation and IT infrastructure, we are strengthening our digital backbone to support business growth and sustainability with highlights for the initiatives in our IT segments.



Infrastructure



Smart racks, precision AC, 5G upgrade, enhanced security

SAP



Migration to SAP RISE, Ariba 2.0, AI-based Vendor Invoice Management (VIM)

Cybersecurity



Next-gen firewall, Data Leakage Prevention, SCADA upgrades, periodic audits, AI-based threat detection



## Intellectual capital contd...

### Customer development

BALCO continued to strengthen its customer-centric development approach by expanding its product portfolio, penetrating new markets, and supporting key domestic and international clients with specialized aluminium solutions.



- Successfully completed the homologation of AISi with M/s. Tata Steel, Khopoli.
- Produced Cu-doped primary foundry alloys for cylinder head applications for M/s. Craftsman Automation for the first time.
- Achieved first-time export of AISi T-ingot from BALCO to Duferco, Africa (25 MT) and Abul Khair, Bangladesh (50 MT).
- Established T4 alloy rods in the domestic market, increasing sales volume to 13 KT in FY25 from 10.8 KT in FY25.
- Expanded PFA market penetration into the 4-wheeler segment by establishing quality benchmarks with SSWL, Maxion Wheels, Uno Minda, and Maruti.
- Successfully developed RP 5XXX series alloys for defense, maritime, and silo applications, achieving a higher Net Economic Price (NEP).
- Developed AA 1070 rolled products with enhanced structural integrity for nitric acid storage applications for M/s. John Galt International, delivering improved NEP.
- Created AA 3105 rolled products for fan blade applications for M/s. Orient Electric.
- Developed AA 3003 circles for cookware applications for M/s. Hawkins.
- Developed O-tempered rolled products for LED lamp cap applications for M/s. Sun LED.
- Introduced a new rolled product (RP) sheet with PVC film coating.
- Completed first-stage qualification with M/s. Ola Electric for the supply of battery bus bars.







Our human capital, which represents the collective talent, expertise and innovation of our people, is the key to BALCO's success. We strive to provide a conducive work environment, encourage diversity, ensure continuous learning opportunities and enable a culture of collaboration and respect, ensuring our team is well-equipped to meet challenges and drive our strategic goals.

**Material Topic**

- Health, Safety and Well-being
- Labour Practices
- Talent Attraction and Retention
- Diversity, Equal Opportunity, and Inclusion
- Learning and Development
- Pandemic Response and Preparedness

**SDGs covered**



# Human Capital



Human capital contd...

Our people

Total employees (Nos)	Total Permanent Male Employees (Nos)	Total Permanent Female Employees (Nos)
FY25 7,430	FY25 1,662	FY25 306
FY24 7,087	FY24 1,538	FY24 253
FY23 7,262	FY23 1,540	FY23 234
FY22 7,104	FY22 1,588	FY22 163

No of new people hired

FY25 320
FY24 173
FY23 207
FY22 84

Building a resilient and empowered team

We believe that a strong workforce is the foundation of a thriving organisation. Our People Strategy is designed to attract, engage, develop and empower employees, ensuring that BALCO remains an employer of choice in the industry. Rooted in operational excellence, innovation and inclusivity, our approach is aligned with both evolving business needs and employee aspirations.



Talent Hiring and Onboarding: Building a Future-Ready Workforce

We are believe to strengthening our talent pipeline by maintaining relationships with leading academic institutions and enhancing our employer value proposition. Our early engagement with campuses allows us to recruit top-tier graduate and postgraduate trainees, equipping them with structured onboarding experiences and skill-building programmes.



Recognising the need for diversity and equal opportunities, we continue to drive inclusive hiring practices. In a landmark step, BALCO welcomed LGBTQ+ employee, reinforcing our determination to an equitable and diverse workplace. Additionally, our transgender inclusion initiative remains a core focus, ensuring sustained employment and career progression for all.

Our Drishti programme is an interactive platform where new lateral hires present their KPIs, which are jointly agreed upon and signed by their managers. The programme encourages active participation, encouraging brainstorming sessions that drive innovative ideas, identify improvement areas and provide clarity on the path to success.

To enhance retention, we have expanded exclusive facilities for GETs and PGETs, offering dedicated hostels, specialised engagement programmes, and mentorship-driven career development plans. These efforts contribute to higher retention rates and a more engaged young workforce.

To strengthen our talent pipeline, we introduced advanced LinkedIn training to identify and attract high-potential candidates. We engage with recruitment partners to facilitate the hiring of global experts and specialists. Additionally, Day 0 hiring at premier institutes, finance-specific recruitment and internship programmes with PPO opportunities ensure we secure top-tier talent early.

We onboarded over 250 freshers, each paired with a buddy mentor to ensure a seamless transition. This helped new joinees familiarise themselves with BALCO and Korba even before their joining date.



Human capital contd...

Enabling a culture of learning

We believe that learning is the spark that fuels innovation and drives success. To enable a culture of perpetual learning, we have instituted a range of training and development programmes for our people. Our Learning and Development (L&D) framework is more than just training — it is a journey of transformation. With programmes designed to sharpen functional, technical, safety, statutory and behavioural competencies, we are shaping leaders who are ready to take on the future with confidence and purpose.

BALCO's Learning and Development (L&D) framework is designed to provide employees with the skills and knowledge needed to excel, adapt and thrive. Our approach is categorised into four key areas.



Technical training

At BALCO, growth is not just an opportunity — it is a mindset. Our training programmes are thoughtfully designed to keep employees updated on the latest technologies and methodologies. On the technical and operational front, we offer advanced training in supply chain management incorporating Six Sigma principles, along with essential courses in operational maintenance, rolling and casting technologies.

Safety and compliance training

As part of our commitment to safety and sustainability, we provide comprehensive training programmes aligned with our Zero Harm vision and environmental protection goals.

Behavioural and leadership training

We prioritise the emotional well-being of our workforce by offering targeted training programmes. These include time, conflict and anxiety management, along with our Vedanta Core Competency programme and the C.A.P.S. initiative, which focuses on Communication, Assertiveness and Presentation Skills

Human rights and ethics training

To uphold our ethical standards and ensure compliance, we conduct mandatory trainings throughout the year covering topics such as the Code of Conduct, Prevention of Sexual Harassment (POSH), Human Rights and Cyber Security for all employees.

In FY 2025, we expanded our digital learning ecosystem with self-paced certification programmes, allowing employees to upskill at their convenience. But it is not just about skills — it is about values too. Our focus on ESG-related training nurtures a culture of sustainability, inclusivity, and social responsibility. By raising awareness around diversity and unconscious bias, we are building a workplace that is both high-performing and socially responsible.

Learning Opportunities through digital platforms.

E-LEARNING MODULES

40 modules
Behavioral skills
Technical knowledge
Safety and quality

GAMIFICATION

Game like elements
Interactive
Enjoyable
Critical cybersecurity knowledge

MENTOR-MENTEE MAPPING

Organised
Transparent
Efficient

WILP (Work Integrated Learning programme)

BALCO has introduced Work Integrated Learning Programme (WILP), offering employees the opportunity to enhance professional skills as a part of their individual development plans. This initiative can be further utilised for succession planning and job rotation. The programme is closely aligned with work profiles, leading to enhancement of academic qualification and professional development as it is industry focused with customized course support for broader exposure.



Driving a culture of collaboration and community

Employee engagement remains a strategic pillar of our HR philosophy. Our annual engagement calendar includes a diverse range of initiatives, from sports tournaments to cultural celebrations, maintaining a deep sense of community across our workforce.

In FY 2025, our engagement efforts saw record participation.



8,000+ employees and business partners joined our Republic Day celebrations.



Festival events, including Holi, Dussehra and Diwali witnessed large-scale involvement.



Our Vedanta Half Marathon (VDHM) continued its legacy, securing the top position across the group for the third consecutive year.

To further enhance collaboration, we have integrated **women leaders into decision-making roles** across various business functions, ensuring diverse perspectives in strategic planning.



Human capital contd...

Employee engagement Strategies



Cultural Integration

Celebrated to build inclusivity and promote cultural diversity, allowing employees to connect and appreciate different traditions.

- Eid Celebration • Ramadan
- IftaarGathering • Rath yatra
- Navratri • Rakshabandhan
- Secret Santa • Ganesh
- Chathurthi • Vishwakarma Pooja
- Lohri • Holi • Diwali
- Onam food festival



Culture of Appreciation

Designed to cultivate a culture of gratitude by encouraging acknowledgment and appreciation across all levels.

- Doctors' day • CA Day
- Nurse Day • Republic Day
- Independence Day
- Appreciation Day



New Employee Engagement

Organised to integrate new employees into the BALCO family, offering engaging activities and fun interactions.

- Freshers' Party



Leadership Interaction and Mentorship

Conducted to bridge the communication gap between senior leadership and junior employees, encouraging mentorship, reducing hierarchical barriers.

- CEO Townhall • Coffee with CHRO
- Young Talent Meet



Gender Inclusion and Equality

Celebrated to recognise and appreciate male employees' contributions while reinforcing gender equality and inclusivity.

- Gender sensitization workshop
- Diversity meets • Women's Day
- Pride month
- International Men's Day



Recognition and Family Involvement

Designed to honour the loyalty of long-serving employees.

- Utkirsh Utpadan • Summer Camp
- Christmas Carnival – Kids
- Long-Term Service
- Award Ceremony



Team Bonding Activities

These activities helped BALCO Silos to enhance problem-solving skills and build strong sense of community.

- BALCO Premier League • Volleyball Tournament
- Badminton Tournament • Outbound Learning Program ( OBL ) • Interactive team bonding activities



Communication Meet

These forums are designed to empower employees across different areas by upholding direct communication and engagement with leadership.

- Lateral Hire meets • Value Champion Meet

Employee well being

Retirement plan

- Provident fund
- Gratuity
- Post retirement medical benefit

Types of Insurance

- Accident Insurance
- Term insurance
- Medical Insurance

Employee benefits

- Monthly production incentive
- ESOP
- Annual bonus





Human capital contd...

Initiatives for employee personal and professional challenges

Well-being webinars	Special Days and Celebrations	Physical Fitness Activities	Leadership Connect Initiatives	Creative Engagements
<div><div>➤ Yoga Day</div><div>➤ Physical Activities and Tournaments</div><div>➤ Finding happiness through purpose</div></div>	<div><div>➤ Makar Sankranti</div><div>➤ Pongal &amp; Lohri</div><div>➤ Republic Day</div><div>➤ Holi</div><div>➤ International Women's Day</div><div>➤ Men's Day</div><div>➤ Ramadan and Eid celebrations</div><div>➤ Secret Santa</div><div>➤ Diwali</div><div>➤ Navratri</div><div>➤ Onam</div><div>➤ Janmashatami</div><div>➤ CA day</div><div>➤ Rath Yatra</div><div>➤ Doctor's Day</div><div>➤ Independence Day</div></div>	<div><div>➤ Badminton Tournament</div><div>➤ Volleyball Tournament</div><div>➤ Zumba</div><div>➤ VDHM – Marathons</div><div>➤ BALCO Premier League</div><div>➤ BALCO Football</div></div>	<div><div>➤ CEO Townhall</div><div>➤ Young Talent Meet</div><div>➤ Diversity Meet</div><div>➤ Coffee with CHRO</div><div>➤ Meet with laterals and stars</div><div>➤ Value Champion Meet</div><div>➤ VLDP Meet</div></div>	<div><div>➤ Gardening Competition</div><div>➤ Summer Camp</div><div>➤ BALCO Talks</div><div>➤ Food festivals</div><div>➤ Outbound learning programs</div><div>➤ Freshers Day</div><div>➤ Christmas Carnival</div></div>

Prioritising Employee Well-being

We believe that a thriving workforce is built on holistic well-being. To support this, we have introduced a range of initiatives designed to nurture the physical, mental and social health of our employees. These include mental health programmes such as yoga sessions, personal hygiene and cervical cancer awareness campaigns, and stress management workshops to promote a healthy work-life balance.

To further enhance physical well-being, we organise fitness programmes and team sporting events, including football championships, marathons and Zumba sessions. These initiatives not only encourage active living but also encourage camaraderie and teamwork, building a vibrant and resilient workforce.



Key initiatives in FY 2025 included:



Annual Pre-Medical Examination

The Annual Pre-Medical Examination (PME) is conducted to provide employees with a comprehensive health check-up.



Human Papillomavirus (HPV) – Vaccine Drive

A dedicated HPV Vaccine Drive was organised for both on-roll and off-roll female employees to raise awareness about cervical cancer prevention. This drive encouraged women to get vaccinated against the Human Papillomavirus, which is a major cause of cervical cancer.



BALCO Medical Centre (BMC)

The BALCO Medical Centre regularly conducts wellness sessions designed to improve the health and well-being of employees. The BMC also provides employees with access to health consultations, making sure that any medical concerns are addressed promptly.



Bone Mineral density

Test was conducted to help employees assess their bone health by evaluating their mineral levels.



Comprehensive Health Checkups

Programmes such as UMAM and Suraksha Mahakumbh continued to provide proactive healthcare support.



Workplace Safety Enhancements

Introduction of biometric-based workstation attendance to optimise productivity and compliance.



Human capital contd...

Ensuring a diverse and inclusive workplace

At BALCO, we recognise that diversity and inclusion are key drivers of innovation and progress. By embracing a wide range of perspectives, experiences and skills, we enhance our ability to navigate the ever-evolving business landscape. Diversity is reflected across various dimensions, including gender, educational background, expertise, geographic origin, age, disability, family responsibilities, marital status, religion, and socioeconomic background. Our efforts to enable a diverse and inclusive workforce is reinforced through ongoing initiatives, which are highlighted in our Integrated Report for FY 2025.

At BALCO, our diverse and inclusive workforce is not just a strength—it’s the foundation of our innovation and growth

Diversity and gender ratio management strategy

- Inclusive recruitment (seeking qualified female candidates).
- Policy framework (Implementing supportive policies like flexible working arrangements and mentorship programmes).
- Training and development (Offering leadership training for women).
- Diversity Goals (Setting clear diversity targets and regularly reviewing progress to ensure accountability).

Gender Diversity of FY 2025



Transgender hiring

We are one of the few manufacturing companies in India that welcomes members of the LGBTQIA+ community. Our commitment to encouraging workplace diversity and inclusion drives initiatives that create opportunities and empower the transgender community.

BALCO marked 'Pride Month' with a series of impactful initiatives, reinforcing its commitment to diversity and inclusion. A first-of-its-kind LGBTQ+ awareness workshop was conducted at the plant, fostering a culture of understanding and acceptance. The celebrations extended beyond the workplace, reaching over 5 lakh people across the state through various outreach programmes. Community sensitisation efforts spanned 45 villages, promoting inclusivity at the grassroots level. Engaging activities such as a pride march, slogan and drawing competitions encouraged participation and expression. To ensure top-down inclusivity, the leadership supported the initiative through video messages advocating for a more diverse and welcoming workplace. Through these efforts, BALCO continues to champion a culture of equality, empowerment and belonging.

Gender Reaffirmation policy

We have introduced a Gender Reaffirmation Policy, offering a unique initiative to support transgender employees. BALCO offers a 30-day leave post-surgery and provides medical reimbursement of up to ₹2 lakh for successful gender reaffirmation surgery.

Gender neutral infrastructure set-up

BALCO has upgraded its infrastructure to create a welcoming and inclusive environment for new hires. As part of this initiative, gender-neutral washrooms have been introduced, ensuring a more supportive workplace for transgender employees.

DEI Focus Area	Key Initiatives / Outcomes
Awareness and Sensitisation	Gender Sensitisation Workshops (Top to Bottom), LGBTQ+ Awareness Workshop (5 Lakh+ outreach), Community Sensitisation (45 villages), Pride Month Celebration
Inclusive Talent Practices	Diversity Act-ups to identify and elevate high-potential diverse talent, Regional and Gender-focused Hiring, 30% Diversity in Succession Planning
Policies for Inclusion	Parenthood Policy, Work from Home Policy, Gender Reaffirmation Policy
Support Networks	POSH Committee (100% coverage), Diversity Committee
Infrastructure	Male, Female and Gender-Neutral Washrooms (12 ongoing – 6 Male, 6 Female, 6 Transgender)
Employee & Community Engagement	Raksha Bandhan Celebration (200+ employees), Women's Day (Upcoming, 1000+ employees & BPs), Jhilmilati Shaam, Diversity Meet

Certifications



Workforce enhancement

BALCO's determination to **continuous workforce enhancement** is reinforced through strategic HR interventions.

**Leadership Development Programmes** such as VLDP, ACT UP, and Green Diversity Workshops, shaping future industry leaders.

**A Comprehensive Grievance Redressal Mechanism,** now integrated into the **Darwin Box digital platform**, ensuring transparency and accountability in employee concerns.

**Advanced Biometric Attendance Systems,** optimising workforce efficiency and streamlining payroll processes.

Through these initiatives, we continue to redefine workplace excellence, ensuring that BALCO remains at the forefront of **people-centric innovation, operational efficiency and sustainable growth.**





At BALCO, our social and relationship capital is anchored in creating long-term, positive value for our communities, value chain partners, and customers. We believe sustained progress is achieved through a synergy of trust, transparency, and shared growth. Our CSR approach goes beyond compliance, driving inclusive development and integrating environmental and social responsibility into our business strategy. Guided by accountability, collaboration, and excellence, we aim to make a positive impact on society and ensure a sustainable, responsible future for all.

### Material Topic

- Sustainable and Inclusive Supply Chain
- Community Engagement and Development
- Human Rights
- Health, Safety & Well-being
- People & Cultural Heritage
- Responsible Advocacy
- Product Stewardship

### SDGs covered



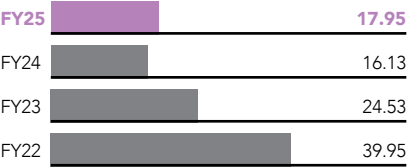
# Social and Relationship Capital



Social and Relationship Capital contd...

Our CSR footprint

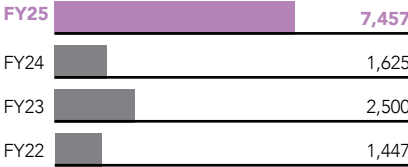
CSR expenditure  
(₹ in crores)



CSR beneficiaries  
(Nos in lakhs)



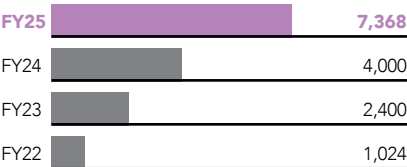
Students benefited  
(Nos)



Women benefited  
(Nos)



Farmers benefited  
(Nos)



Empowering communities

At BALCO, we believe that true progress is achieved when communities grow alongside us. Our approach to community engagement is rooted in empathy, innovation and sustainability, fostering meaningful connections and positive change.

We prioritize understanding the unique needs and aspirations of the people we serve, enabling us to design targeted interventions across critical areas such as healthcare, sustainable livelihoods, water and sanitation, women’s empowerment, environment and safety, sports and culture, and community asset creation.

Through collaboration with government agencies, NGOs, and local stakeholders, we create scalable, long-term solutions that uplift communities and promote inclusive growth.

A key focus of our efforts is empowering women, youth and marginalised groups, helping them build skills, gain opportunities to thrive. By nurturing partnerships and embracing sustainable practices, we strive to create a lasting impact that benefits the community we serve.



How we engage

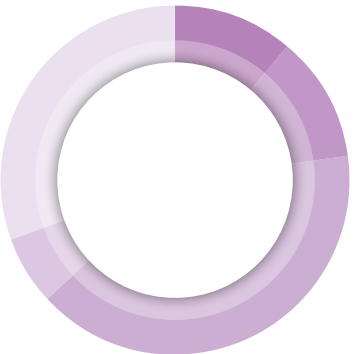
- Co-created Community Development Projects
- Stakeholder Engagement Initiatives
- Participatory Planning and Implementation
- Inclusive Growth Programs

Key Focus Area

- Healthcare
- Women Empowerment
- Sustainable Livelihood
- Education and Skill Development
- Community Infrastructure Development

CSR expenditure breakup

(₹ in crores)



- 1.92 - Healthcare
- 2.00 - Women Empowerment
- 6.87 - Sustainable livelihood
- 1.1 - Education
- 5.21 - Community Infrastructure



CSR Policy

BALCO has a CSR Policy aligned with section 135 of Companies Act, 2013 mandates, covering framework, governance, monitoring, expenditure and compliance responsibilities.

Compliance to audits

- Third-party CSR audits
- Concurrent audits & Due diligences
- Vedanta Sustainability Assurance Program (VSAP)
- Management Assurance System Audit (MAS)
- GRI Assurance Audit
- Business Responsibility and Sustainability Reporting (BRSR) Audit

Standard Operating Procedure (SOP)

At BALCO, we have well-drafted SOP outlines protocols for community profiling, stakeholder analysis, CSR programme development, monitoring, evaluation, reporting, communication, implementation and governance. These SOP outlines are signed by the CEO and senior management.



CSR Committee

BALCO’s CSR committee convenes annually to review and recommend the CSR plan and budget to the Board, ensuring compliance with policies and monitoring activity progress. The Directors’ Report certifies the CSR expenditure.



BALCO CSR Vision

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



BALCO CSR Philosophy

We are committed to the principles of sustainable development—protecting human life, health and the environment, ensuring social well-being and bringing prosperity to the communities we serve.

With a long-standing commitment to social responsibility, we invest in initiatives that create positive change in our neighbourhood and nation. Our thoughtfully designed programmes align with community needs and national priorities, ensuring they make a meaningful impact.

Moreover, we strive to contribute to the United Nations' Sustainable Development Goals, embedding sustainability into every facet of our operations. Through responsible practices and purposeful actions, we aim to build a better future for all.



Social and Relationship Capital contd...

CSR Initiatives at BALCO

At BALCO, transparency lies at the heart of our corporate governance practices. We uphold this commitment through robust systems and processes that are regularly reviewed and refined in line with our CSR policy.

To ensure the effectiveness of our CSR efforts, we conduct third-party and impact assessments every three years. This comprehensive evaluation helps us chart the roadmap for future initiatives and make mid-course corrections when needed. In addition, we implement regular monitoring mechanisms to maintain accountability and drive continuous improvement in our CSR efforts.

Our CSR Initiatives

Health Initiatives

- Project Arogya
- Nayi Kiran
- Mobile Health Van
- BALCO Medical Center (BMC)

Education Initiatives

- Nand Ghar
- Connect

Sustainable Livelihoods

- Vedanta Skills School
- Mor jal Mor Maati

Women Empowerment

- Unnati

Environment & Safety

- Road, Fire & Home Safety Initiatives
- Animal Welfare

Community Assets Creation:

- Community Infrastructure Development

Healthcare

We are dedicated to improving community health and well-being through a range of targeted healthcare initiatives. We hope to improve access to high-quality healthcare services, increase health awareness and enable people to make informed decisions about their well-being by emphasising both preventive and curative approaches.

1,72,302  
People Served

BALCO MEDICAL CENTRE (BMC)- STATE OF THE ART CANCER CARE FACILITY

BALCO Medical Centre (BMC), a 170-bed tertiary oncology facility - a flagship initiative of the Vedanta Medical Research Foundation (VMRF). Aims to bring ultra-modern, multi-modality diagnostic and therapeutic facilities within easy reach of India's population at an affordable cost. It is in Naya Raipur, Chhattisgarh, and patients from different parts of the country visit the centre.

During the year, 13,261 people availed healthcare services from the hospital. BMC served in remote regions through Health screenings, camps, health talks and diagnostic services, going above and beyond. 2,690 surgeries, 15,538 chemotherapy sessions, 1,705 radiation therapies and 100+ Bone Marrow Transplants.

Launched HPV Vaccination Drive on Cervical Cancer Elimination Day of Action. Expanded the Bone Marrow Transplantation unit from 2 to 5 beds. More than 75 Screening Camps & Health Talks in remote areas of Central India through Mobile Cancer Detection Van.

Case Stories for Healthcare

First Successful Congenital Heart Surgery

Name: Mahesh Yadav

Age: 6 years

Ailment

Mahesh's Journey to a Healthy Heart

Six-year-old Mahesh Yadav was diagnosed with a 6mm atrial septal defect during our Congenital Heart Health screening at BALCO Hospital.

On November 16, 2024, he underwent successful surgery at Shri Sathya Sai Sanjeevani Hospital, Raipur. Now fully recovered, Mahesh is back to his playful self, bringing joy to everyone around him!



Primary Health Care Services

2 MHV's are serving our nearby 70 communities through fortnightly visits and 3 Rural Health Posts (RHP) clinics set-up provided OPD services to over 28,000 people, Capacitated over 100 community volunteers for chained care.

Specialized Healthcare services include Bi-monthly specialized physiotherapy & gynecology services by MHV and 9 Multispecialty Mega health camps (Orthopedics, Dental, Eye, ENT, Pediatrics, Gynecologist, Physiotherapist, Blood & Sugar etc.) & other specialized camps for Cancer Awareness & screening, congenital heart disease screening camp, Cataract & Sickle cell camps.

100+ Seasonal Awareness camps were organized in Communities, Schools & Nandghars, sensitizing people on Cancer, Vaccination, Malaria, TB and other matters of health and hygiene.

Maternal & Child Health Care

Combating Malnourishment- 3,374 children (0-5 years) were screened across 65 Anganwadi's, 915 were identified as malnourished children addressed through PD hearth sessions & home visits, 18 through NRC referral, Cumulatively all children showed health improvements with 57% of them moving to completely normal health status.

BALCO conducted anaemia camps, held Anaemia screenings in 45 areas. 2,231 women including pregnant & lactating mothers were screened; 778 were identified as anaemic. 73% showed improvements in status with targeted counselling and recipe demonstrations promoted diet diversity and improved IFA consumption.

HIV/AIDS Awareness Campaign


BALCO established Chhattisgarh's first corporate-led Integrated Counselling & Testing Centre (ICTC).

Generated awareness on HIV to over 2,400 high-risk behavior groups like Truckers and migrant workers. Over 26,000 people were sensitized through a weeklong mass awareness campaign on World AIDS Day.

Focused on youth held awareness sessions in 100% i.e. 35 Government high & higher secondary in Korba block. Additionally, Life skills training capacitated 60 Youth as changemakers on HIV/AIDS Awareness for promoting peer-based learnings, further led 'Yuva Chaupals' reaching out to 1,300+ youth in High-risk areas.




Social and Relationship Capital contd...




### TB Awareness & care

BALCO trained 97 health workers, further raising awareness, TB leaders conducted sessions for over 900 community members. Through the Nikshay Mitra initiative, dietary support was provided to 33 TB patients across 56 villages, with 90% achieving recovery, rest under treatment are positive towards recovery.



### De-Addiction Camps

BALCO conducted awareness camps, and forming 20 action groups. Intensive de-addiction camps reached over 1,000 youths across schools and communities, leading to the formation of eight proactive groups driving Nasha-Mukt (Addiction-Free) initiatives for a healthier society.



### Observing Innovative Health Campaigns

Celebration of Safe Motherhood Day, Poshan Maah recognized 'Champion Mothers', first ever partners training & launched 'Poshan Talks' – health series on YouTube. Breast feeding week & Observing Cancer Awareness month, Congenital Heart camp has further provided a holistic improvement in areas of Maternal health, collectively benefitting over 5,000 mothers.

## AROGYA & MOBILE HEALTH VAN (MHV)- MAKING HEALTHCARE SERVICES AFFORDABLE AND ACCESSIBLE

BALCO's Arogya initiative is a comprehensive healthcare programme aimed at providing quality primary healthcare services both preventive & curative to rural communities. through Doorstep Mobile Health van services, Rural Health Posts, Maternal & Child Health with special focus on reduction of malnourishment & anemia, awareness campaigns on HIV, TB and De-addiction. Through Projects Arogya & Mobile Health Van, BALCO is committed to enhancing community well-being by ensuring healthcare services are both accessible and affordable.

200+

Community Members Benefited (Health Camp)

21

Awareness Camps Conducted

97

Health Workers Trained

90%

TB Patient Recovery Rate

11

Community Awareness Sessions on TB

32

TB Patients Supported (Nutritional & Financial Aid)

214

Community Members Engaged (TB Sessions)

140+

Individuals Screened for Cancer

33

Suspected Cancer Cases Screened

1,000+

Pregnant & Lactating Mothers Benefited (Anaemia)

1,000+

Youth Sensitised (De-addiction & Health Education)

5

Individuals Referred for Advanced Cancer Consultation

Case Stories for Arogya

#### Project Arogya impact journey for Susanna

**Name: Susanna**

A Mother's Resolve: Susanna Ji's Journey with Arogya's PD Hearth Sessions

When health screenings in July revealed that Susanna Ji's twin daughters, Vanisha and Vanessa, were underweight—just 6.6 kg and 7 kg—it was a moment of deep concern for her. Raising three children alone while managing a household was already an uphill battle, and ensuring proper nutrition for her daughters seemed even more daunting.

Recognizing the urgency of the situation, the Arogya Project team visited Susanna Ji's home in September. They introduced her to the Targeted Home Ration (THR) Program and the Positive Deviance Hearth (PDH) Sessions—initiatives designed to combat malnutrition through community-led nutrition practices. Determined to give her children a healthier future, Susanna Ji did not let hardships deter her. Every day, she attended the PDH sessions, carrying both daughters in her arms. Her perseverance began to show results—within a short time, Vanisha's weight increased to 7 kg, while Vanessa's rose to 7.4 kg.

In October, Susanna Ji took her commitment a step further by actively participating in THR training, where she learned to prepare 3-4 highly

nutritious recipes. With every meal carefully prepared and every guideline followed, she started seeing visible improvements in her twins. Their weights climbed to 8 kg and 8.05 kg—a clear sign of progress.

By November, her belief in the process had strengthened. She enrolled both daughters in PDH sessions, immersing them completely in the structured nutritional support. In just 12 days, the impact was undeniable—Vanisha and Vanessa had gained even more weight, reaching 8.05 kg and 9 kg, respectively.

Today, their journey stands as a testament to a mother's unwavering determination and the power of targeted intervention. With continuous support from the Arogya Project and a disciplined approach to nutrition, Vanisha and Vanessa now maintain a healthy weight of 10.3 kg and 10.7 kg. Susanna Ji's dedication turned a struggle into a story of transformation—one that proves that with the right guidance, resilience, and care, no challenge is insurmountable.





## NAYI KIRAN

(Menstrual Health Management- MHM)

The project focuses on Sensitising and informing communities on Sustainable Menstrual Health Management, product choice and practices to ensure safe reproductive health and hygiene. The programme also expanded its roots across the district to widen the discussion and understanding of the topic.



Social and Relationship Capital contd...

MHM Friendly school initiatives

MHM friendly environment at schools

MHM Awareness sessions were held at 106 Govt middle, secondary & Higher secondary schools of Korba District (50% coverage at Sec & High Sec. Schools of Korba District) sensitizing 18,000+ Adolescents, on the subject matter. 70+ Teachers across district capacitated as 'MHM Sathis' for enabling MHM-friendly environment at schools driving awareness and change.

Promoting inclusivity

Conducted MHM sessions and pad stitching workshops with 103 visually, speech, and hearing-impaired children and trainers at Divya Jyoti School, the only government school for disability in Korba.



From empowerment to impact

We are committed to empowering women by providing them with the skills, resources and knowledge needed for entrepreneurial success and financial independence. We prioritise uplifting women engaged in Self Help Groups (SHGs), equipping them with the tools and expertise necessary for entrepreneurial success and achieving long-term financial security.

PROJECT UNNATI

Empowering Her: Unleashing Potential, Igniting Change

Unnati - Promoting sustainable, women run SHGs for their socio-economic development and gender empowerment.

Stitch My Own Pad Campaign

Created awareness and trained over 3,900 women and adolescent girls from villages & schools, also involving Men in the campaign as Master Trainers for stitching reusable cloth pads, providing a sustainable menstrual health management alternative.

Sensitization Across Communities

Over 5,000, adolescents sensitized on Menstrual Health & hygiene, Community Cleanliness & Sanitation, and Deaddiction awareness. To bring about a sustained behavioral change, trained 150 Frontline workers (Anganwadi workers & ASHA) across the district as Master trainers- Torchbearers cum leaders of change in the community. These frontline workers have further sensitized 6,000+ adolescent girls & women, fostering the change at grassroot levels.

BALCO's MHM initiative reached people at the grassroot levels through group meetings, Anganwadi-led sessions, NGO collaborations, and self-help group interactions, celebrating MHM week.



Our Mission:

Empowering Women through self-help group (SHGs)

Our mission focuses on empowering women through Self Help Groups (SHGs), providing them with the tools and expertise for entrepreneur and sustainable livelihoods.



Strengthening Women's Self-Help Groups

BALCO is strengthening over 530 SHGs, empowering 5,800 women, with 2,110 women economically engaged. 90% of SHGs reported regularity in meetings and the average inter loaning increased among 98% of SHG groups reflecting financial resilience and build a culture of entrepreneurship and mutual support. Established Apex level body, "Unnati Maha Sangh".



Igniting Economic Horizons Empowering Microenterprises

Seven pioneering microenterprises—UnaTex, Dekoratti, Chhattisa, UnaTea, Cleanaila, UnNaree, and the Mushroom Unit—developed a diverse portfolio of 44 products, available on online market platforms like Amazon, Flipkart, India mart & WhatsApp Business . Providing SHG's a broader avenue of entrepreneurial opportunities, over 4,000 women have been trained under Microenterprises. Established business avenues like Unnati Café on Wheels, Food Truck. 'Unnati Chaupal' a vibrant food court and UnaTea led "Chai Bihan", refreshment shop at collectorate.



Nurturing Nano Enterprises for Economic Prosperity

BALCO has supported 81 Nano enterprises were also supported to promote entrepreneurship & strengthen women run small businesses viz. Tiffin service, Fancy store, Cosmetic, Stitching etc. run by 118 SHG women. Aiding an average additional income of ~₹3,500 per women per month, ensuring sustainable livelihoods. Additionally, 9 exposure visits have been organised, providing over 70 women with valuable insights into product development, sales, and marketing strategies, thereby honing their entrepreneurial acumen.

Unnati Utsav Celebration

Dilli Haat X Ministry of Mines  
Pali Mahotsav & CII



530+

No of SHG formed

5,800+

Women engaged

2,100+

Economically active women in SHG

80+

Nono enterprises Supported

118

Women Entrepreneurs supported

₹3,500

per women

Average additional monthly income



Social and Relationship Capital contd...

Case Stories for Women empowerment

Homemaker to Entrepreneur

**Name:** Tulsi Kashyap  
**Age:** 26 years  
**Area:** Belgiri Naka

Tulsi Kashyap's journey proves that hard work and guidance can transform lives. Once a homemaker, she is now a successful entrepreneur, inspiring many in her community. Through the Unnati Project, she formed a self-help group, trained in beauty services, and secured a ₹2 lakh loan to start her beauty parlour. With growing success, she also takes tailoring orders, achieving financial independence and contributing to her family. No longer dependent on her husband, Tulsi now fulfils her own and her children's needs. Grateful to Unnati Project and BALCO CSR, she stands as a role model, proving that with the right support, women can achieve their dreams.



Ensuring Sustainable Livelihood

MOR JAL  
MOR MAATI

Our project drives water security and efficiency through surface water management and irrigation. We promote farm-based livelihoods, livestock development, horticulture and crop diversification, while promoting market-linked enterprises under Farmer Producer Organisations (FPOs) to ensure sustainable agricultural growth and rural prosperity.

7,368  
Farmers benefitted

50%  
Average increase in  
Farmers income



Promoting Modern Agricultural Practices

- 60% of farmers adopted modern agriculture techniques like Systematic rice intensification (SRI), Trellis & Organic farming, Climate resilient cropping etc.
- Enhanced productivity & income, 1.25-1.50 times the increase in production led to an average increase in income by 50% and a reduction in cost of cultivation by 25-30%.
- Climate resilient cropping like Groundnut, Black Gram and Scented rice introduced as innovation in the regional landscape to reduce the dependency of farmers on rainfall.

- Use of SIT (System of Insect Traps) completely replaced chemical pesticides, ensuring eco-friendly farming.

Enhancing Water Availability

28 water structures (25 farm pond, 2 lining ponds, 1 community pond) are created generating cumulative water storage capacity of 38,726 CuM, promoting multiple cropping in the region.

Livelihood Diversification for Additional Income

- 23% of the farmers in Livelihood Diversification activities like Lac Cultivation, Livestock development (Poultry, Goat rearing, Pisciculture) and Horticulture.
- Established 2 Livestock Development Centres (LDC's), held Artificial Insemination (AIs) and Animal health camps for breed improvement benefitting over 1,000+ farmers, 2,500+ cattle.

- Trained & supported 300 new farmers in the region for lac cultivation (Non- Timber Forest Produce) taking the total count to 800+ farmers, generating an additional income ~INR 50,000/- each farmer.
- 250 Wadi (Fruit Orchards) is under development as a long-term sustainable livelihood generation plan on 125 acres of barren land.

Institutionalizing Farming & Innovations

Innovations at Vedanta Agriculture Resource Centre (VARC) range from Bee Farming Unit, 2 Hi-tech Nurseries to Exotic fruit plantations, to lead further replication in this topography.





Social and Relationship Capital contd...

Case Stories for Mor Jaal Mor Maati

Transforming Agriculture with Drip Irrigation

**Name:** Phool Singh Rathiya  
**Village:** Bela

**Activity:** Improved Vegetable Cultivation with Drip Irrigation under "Mor Jal Mor Maati"

**Major Impact:** Boosted water efficiency, increased crop yields, and raised annual earnings to ₹1,20,000-₹1,56,000. Inspired over 15 farmers to adopt water-saving techniques.

Phool Singh Rathiya, a dedicated farmer from Bela, faced severe water scarcity during the rabi season,



which hampered his vegetable crops and profits. Through the "Mor Jal Mor Maati" initiative, he received training in modern farming methods and was provided with a drip irrigation system. This technology revolutionized his farming practices by significantly improving water use efficiency and ensuring a consistent water supply to his crops year-round. As a result, Phool Singh's crop quality and yields soared, leading to a substantial increase in his annual earnings to ₹1,20,000-₹1,56,000. The adoption of drip irrigation also reduced labor costs, making farming more productive and sustainable. His remarkable success has inspired over 15 farmers in his village to embrace efficient irrigation techniques, demonstrating how innovative solutions can overcome water stress and create sustainable income for farmers.

VEDANTA  
SKILL SCHOOL

Our project empowers rural youth, school dropouts and the unemployed in Chhattisgarh through vocational training at 3 skilling centres in Korba, Kawardha and Surguja. We equip individuals with job-ready skills and create employment opportunities, driving economic growth and regional prosperity.



Youth Empowerment

Trained over 1,414 youths across Korba, Kawardha, and Surguja, with 78% placed in jobs or entrepreneurship, earning an average annual CTC of ₹1.4–2.16 Lacs.

BALCO's skilling initiative continue to drive youth empowerment and economic growth.



Holistic Skill Development

In addition to technical training, centre also focuses on enhancement of other soft skills development with establishment of 4 Youth clubs (Sports, Environment, Cultural & Vocarium), Routine industrial exposure visits & interaction such as with Indigo for hospitality opportunities in Aviation etc. Fire & Road safety trainings, Menstrual Health sessions, Mentorship sessions by employee volunteers, Alumni connect and Group activities on Saturdays for overall development.



Inclusive Training

72% of trainees were women, with 56% belonging to SC/ST communities, reflecting a strong commitment to gender equality and empowerment of marginalised communities.

The centre maintained its reach across Chhattisgarh with youth coming from 22 different districts of the state this year.



Strategic Partnerships

We trained a total of 52 batches, with 17 of these batches trained in collaboration with government and private partners such as PMKVY, MMKVY, and SIIB. This initiative has significantly enhanced outcomes and livelihood prospects. Additionally, Recognition of Prior Learning (RPL) opportunities were provided under PMKVY specifically for women.

1,414  
Youth Skilled

78%  
Youth Placed

Animal Welfare

Animal welfare initiatives held in collaboration with District Veterinary department, included **Reflective Collar drive** for over 1,500 stray cows, enhancing their visibility for nighttime safety, minimizing accidents, and ensuring their well-being on roads and in communities, Vaccination & feeding drive of over 200 stray dogs towards making the community rabies free.



Employee Engagement



We are dedicated towards empowering the local community and establishing a connect between the community members and employees to establish a relationship based on 'trust'. Employee engagement initiatives act as a bridge to achieve this connect. During the year, 489 employees and 133 Business Partners volunteered, contributing 390+ manhours, cumulatively for 15+ Volunteerism initiatives.



Infrastructure Development Enhancing Community Quality of Life

Infrastructure development in the communities provides an opportunity to improve their quality of life. Activities included Renovation of 6 Schools & 4 Anganwadi's, Construction of 3,000+ Meter Cement Concrete Road, 13 Community toilets, 4 community stages, 4 children's Park and 1 Community Hall cumulatively benefiting 7,000+ community people.

34 Infrastructures created  
7,000+ People Community Infrastructures benefitting



Promoting Safety and Environmental Awareness in Communities



80 safety trainings on Road, Fire & Home safety and various Safety campaigns were organized reaching out to 2,700+ community members & school children and students at Vedanta Skill School. Observed Road Safety Month & held first ever CPR trainings for Community based organizations.

Case Stories for Sustainable livelihood

Vedanta Skill school : Turning struggles into Success

Name: Naresh Kumar  
Age : 20 years

Naresh's Journey to Success

From a small village, Naresh faced financial struggles and managed to complete only his 10<sup>th</sup> grade. He joined Vedanta Skill School (VSS) under the Chief Minister's Skill Development Scheme, where he got trained for 340 hours in Fitter: Levelling, Alignment & Balancing. Now employed at Suzuki Motors Gujarat Pvt Ltd., he earns ₹1,46,400 per annum, ably supporting his family. Overcoming his initial doubts about moving out of state, he now looks forward to his II certificate, marking a new chapter of stability and hope.



Education

Education is the foundation of an empowered society. Guided by India's vision of an educated and empowered society, we are committed to ensuring equitable access to quality education. Through initiatives like Project Connect and Nand Ghar, we support government schools and modern Anganwadis, creating nurturing learning environments that shape the children's future.

2,500+ Students benefited



PROJECT CONNECT

We believe in quality education for all and strive to enhance learning opportunities through Project Connect, improving the educational environment in neighbouring government schools and deliver growth to educate children in India.





Enhancing Educational Support

We are committed to academic excellence through regular and remedial classes, benefiting over 1,470 students across government schools and learning centres.

Career counselling guided **1,150 students**, while **54 dropouts** were re-enrolled with financial aid.

Launched Hands-On Science & Maths experiment Kits & Study Material (21 Workbooks) & to help 1,200+ students refer beyond textbooks and assess their own progress in learning.

Education Enhancement Interventions

Our early childhood stimulation sessions empowered parents to create nurturing home environments that support their children's cognitive, physical, and emotional development.

At Nand Ghars, playful learning methods such as number games, crafts, and rhymes cultivated curiosity and built foundational skills among young children.

Capacity-building workshops equipped Anganwadi workers with innovative techniques, transforming learning spaces into vibrant hubs that inspire creativity and support holistic child growth.



Ensuring Holistic Development

- National Education Day marked the First ever Book Festival for government schools, (2,000+ books & 3,500+ participants) & held series of Reading Melas.
- Mega Science & Maths exhibition to promote activity-based learning.
- Winter camp for board preparation and a series of Career Counselling sessions to guide students towards making informed academic and career-oriented decisions.

NAND GHAR

A Vedanta initiative with MoWCD, Nand Ghars in Korba district empower children and mothers through BALA paintings, digital learning and modern facilities. Enhancing pre-school education, nutrition awareness and community development, 33 Nand Ghars have improved attendance, cognitive skills, and school readiness.

4,007

Children and mothers benefited

Health Enhancement Interventions

Nand Ghars serve as vibrant community hubs, empowering mothers and caregivers with knowledge on nutrition, health and early childhood development.

Through initiatives like Positive Deviance Hearth sessions, Take Home Rations training, and Suposhan Chaupals, we promote better childcare practices and sustainable nutrition. Awareness drives on breastfeeding, handwashing and seasonal diseases ensure healthier families, while kitchen gardens and environmental campaigns enable self-reliance and community stewardship, creating lasting social impact.

- Up to 60% increase in participation was observed at Nandghars with enhanced engagement & learning activities.
- 54% children observed improvement in their health status.



NandGhar – Stakeholder Connect



I deeply appreciate the exceptional efforts of Vedanta BALCO CSR's NandGhar project. The team's dedication to early childhood care and education aligns perfectly with the vision of ICDS. The recent 2-day ECCE training for Anganwadi Workers is a significant step towards creating a child-friendly environment at NandGhars. By equipping workers with essential skills to enhance child development, this initiative is fostering increased attendance and engagement, ensuring that children receive the holistic support they need to thrive.

Ms. Renu Prakash,  
District Program Officer,  
Women and Child

Case Stories for Education and Skill Development Vedanta

Testimonial from our Nayi Kiran Project

MHM Saathi (Dipti Rathore), Government School:

Becoming an MHM Saathi has been a truly transformative journey—not only for our students but for us teachers as well. Menstrual health was once surrounded by silence and misinformation. Today, our school proudly identifies as an MHM-Friendly School, where adolescent girls feel safe, informed, and supported. Through regular sessions, open dialogue, and access to hygiene resources, we've created an environment where students are no longer held back by stigma or discomfort. Nayi Kiran has empowered us to nurture both academic growth and personal dignity in every child we teach.







At BALCO, we are committed to making a real difference in environmental sustainability. Guided by our dedication to environmental stewardship, we implement a comprehensive approach to minimise our environmental footprint. To achieve this, we prioritise responsible operations, carbon footprint reduction, energy efficiency optimisation, water resource conservation and biodiversity protection. Through continuous efforts and the adoption of sustainable manufacturing practices, we strive to safeguard the environment and preserve its valuable resources for future generations.

**Material Topic**

- Climate change and decarbonisation
- Air Emissions & Quality
- Water management
- Waste management
- Tailings management
- Biodiversity and ecosystems
- Material management and circularity
- Land Acquisition, Rehabilitation and Closure

**SDGs covered**



# Natural Capital



Natural capital contd...

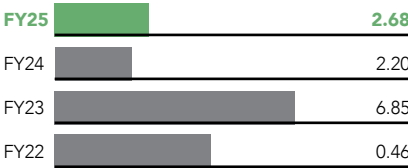
GHG emission intensity  
(tCO<sub>2</sub>e/t)



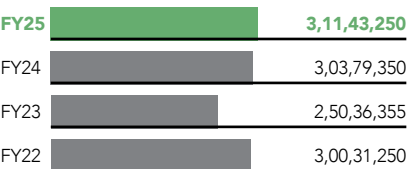
Total Energy consumption  
(GJ/MT)



Renewable energy share  
(%)



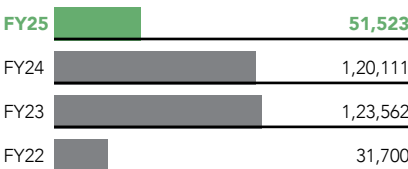
Water consumption  
(m<sup>3</sup>/MT)



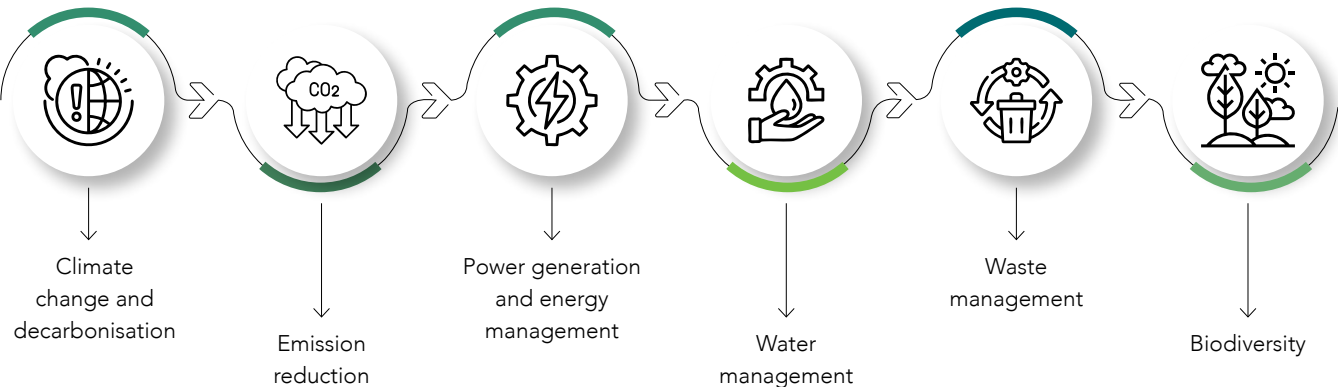
Waste recycled  
(MT)



No of trees  
(Nos)



Focus Area- Planet



Climate change and decarbonisation

Adverse climate events can damage infrastructure, deplete natural resources and disrupt supply networks, jeopardising the availability of vital resources required for the business's long-term viability. Such incidents can lead to a decrease in production efficiency, an increase in operational expenses and risks to employee safety.

BALCO's commitment to net-zero

Disruptions in logistics and supply chains can delay the delivery of raw materials, which may impede business continuity. We address climate-related concerns by undertaking proactive risk management for long-term growth.



Aims and objectives

<b>Net Zero</b> Carbon by 2050 or sooner.	Decarbonise <b>75%</b> of our mining fleet by 2035 and all of our light-motor vehicle (LMV) fleet by 2030.
We aim to increase our use of renewable energy to <b>30%</b> by 2030 by procuring through power purchase agreements (PPAs) and direct utilization.	Promote the use of hydrogen as fuel more quickly and look to expand into <b>H2</b> fuel or associated industries.
Over the next ten years, aim to invest <b>USD 5 billion</b> to hasten the shift to <b>Net-Zero</b> .	Collaborate with our <b>tier 1 long-term</b> suppliers to align with our goals by 2030 and submit their GHG reduction plans.
Report our performance in accordance with the <b>TCFD</b> specifications.	No further <b>coal-based thermal power</b> or <b>coal-based electricity</b> till the power plant's life is over.
Through our <b>CSR and social impact</b> initiatives, assist communities in adjusting to the effects of <b>climate change</b> .	Maintaining <b>ambient air quality</b> .

Emission reduction

Initiatives

More railway transport

Higher rail-mix for alumina and coal procurement and outbound finished goods for lower vehicular emissions.

Supply chain collaboration

Partnering with customers and logistics providers to reduce downstream emissions.

Green belt expansion

Over 8 Lakh sapling plantation since 2002.

Over 1 Lakh plants since last 2 years.

Carbon sink

Collaboration with Chhattisgarh Government green initiatives for carbon sink establishment.



Natural capital contd...

Power generation and energy management

We rely on enhancing energy efficiency and optimising power generation through innovative solutions and sustainable technologies. Our efforts are focused on reducing energy consumption, improving operational efficiency and transitioning towards low-carbon energy alternatives.

Various energy efficiency initiatives such as Novel Cathode relining design and graphitisation of pots offered a unique energy efficient lining technique which reduces energy consumption of aluminium production.

Graphitisation of pots

BALCO has achieved 100% implementation of graphitised pots across all operations. This breakthrough has led to enhanced energy efficiency, of aluminium production. Additionally, the pot life has increased reducing maintenance frequency and improving overall sustainability.

300 kWh/MT  
Energy savings

2,050 days  
Pot life improvement

Novel Cathode Relining design

BALCO has introduced a novel cathode relining design, a pioneering energy-efficient technique aimed at optimising aluminium production while significantly reducing carbon emissions. This innovative approach is expected to deliver tangible carbon savings. By enhancing the energy efficiency of the production process, the new cathode relining design lowers operational costs.

350-400 kWh/MT  
Energy reduction

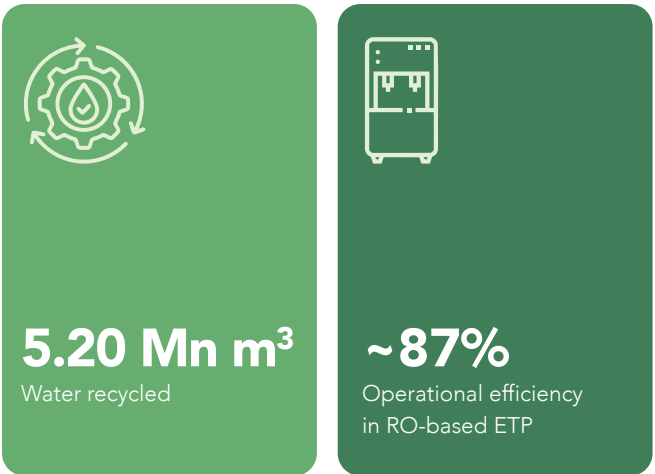
0.42 tCO<sub>2</sub>/MT  
Carbon reduction

Water management and conservation

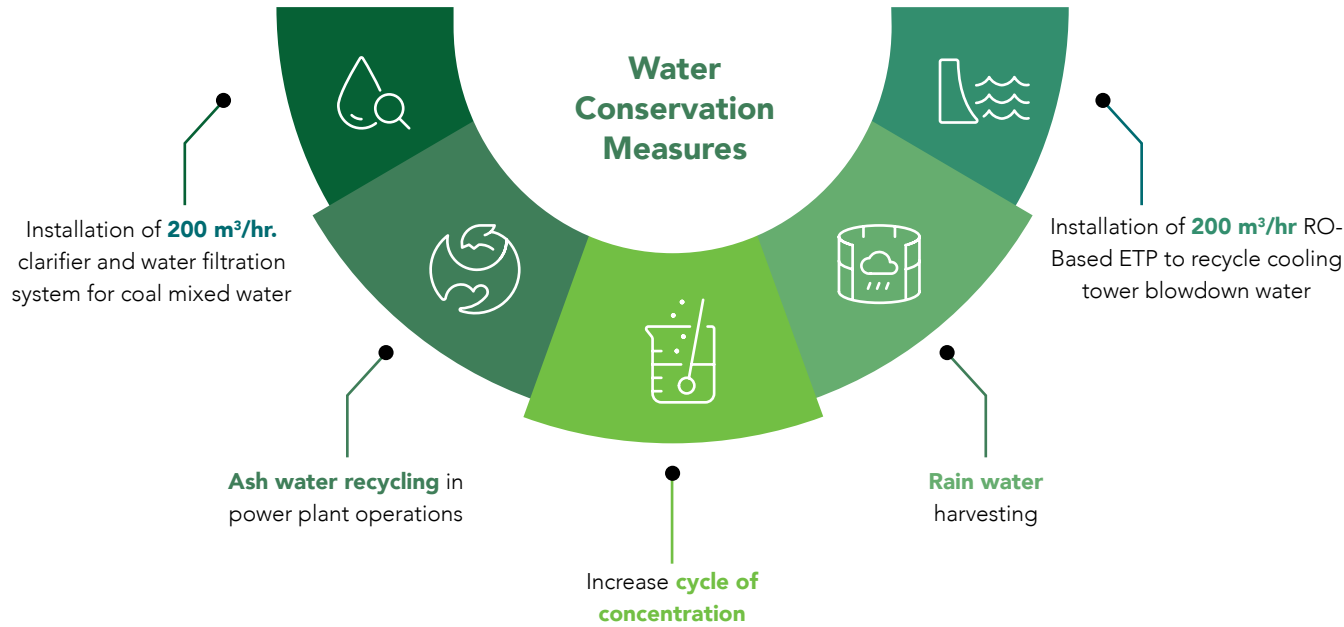
BALCO prioritises responsible water management, ensuring efficient utilisation, conservation and recycling across operations. With a strong commitment to sustainability, we implement cutting-edge technologies and best practices to minimise water footprint while maintaining operational efficiency.



Key achievements in FY 2025



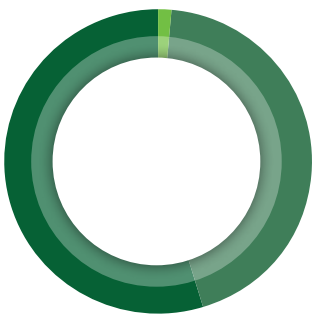
Water Conservation Measures



Waste management

We have established waste management standards in accordance with International Council on Mining and Metals (ICMM) guidelines. These standards are further complemented by a well-defined waste management procedure—together, they outline a structured hierarchy for managing waste efficiently. We begin by making proactive efforts to identify opportunities for waste prevention and reduction. The next step entails the recovery and recycling of waste materials, whether internally within our facilities or through strategic collaborations with authorized third-party entities.

Waste generated (MT) in FY 2024-25



- 96,613 MT - amount of Hazardous waste generated
- 28,01,617 MT - amount of Non-Hazardous waste generated (e-waste, metal scrap, wooden)
- 34,75,590 MT - amount of other waste generated (Ash, BMW, Battery)

Fly ash management

For the management of fly ash, we have implemented the High Concentration Slurry Disposal System (HCSD) to dispose of ash at dykes, which is an environment-friendly methodology for ash conveying/disposal. Additionally, dust suppression measures have been implemented, including stationary sprinklers provided on the dyke surface. A mobile sprinkling system using tankers is in place. Further, ash trucks are covered with tarpaulin and moisturised before leaving the dykes.

For efficient utilisation of fly ash, we have signed MoUs with some of the leading cement companies in India.

100%  
of the ash water is recycled in our operations



Natural capital contd...

**High concentration slurry disposal system (HCSD)**

- Operational efficiency : **90%**
- Ash handling capacity : **11,000 TPD**
- Maintenance frequency: **3 years**

**Dust supression measures**

- Sprinklers: **100 no's**
- Mobile sprinkling tankers: **10 no's**
- Water consumption: **840 KLD**

**Fly ash utilization & partnerships**

- 98-99%** for road leveling under NHA and mine backfilling
- Remaining fly ash sent to **brick and cement industries**

Hazardous waste management

We ensure that hazardous waste materials are carefully collected and stored in strict compliance with regulatory requirements. Following this, we collaborate with authorised third parties to responsibly recycle or safely dispose of these materials.



Biodiversity

We adhere to the Vedanta Biodiversity Policy, which focuses on conserving ecosystems in the areas where we operate. We ensure that activities are strictly prohibited in ecologically sensitive zones and make dedicated efforts to restore degraded land through large plantation drives.

Besides ensuring compensatory afforestation, we ascertain that all mine voids are adequately filled with disposed ash from the power plants. Also, we have planted native plant species to restore habitats.

**51,523**

Saplings planted in FY 2025

**2,030**

No Net Loss of Biodiversity target





# Awards and Accolades



3<sup>rd</sup> Edition of BCC&I Social Leadership Conclave & Awards 2024



5<sup>th</sup> Edition CSR & Sustainability Awards 2023-Certificate of Excellence in providing livelihood in



25<sup>th</sup> National Award for Excellence in Energy Management 2024



Gold Award - 9<sup>th</sup> CII National Competition on Digitalisation Robotics and Automation Industry 4.0



Gold Award - CSR Health Impact Projects



Gold Winner - Best Employee Engagement Strategy 2024



ASSOCHAM's 3<sup>rd</sup> Menstrual Hygiene Management Awards & Conference 2024 for Project Nayi Kiran



Award for Best Total Quantity Management Organisation Award 2024 QCFI



CII National Awards for Excellence in Energy Management 2024



International Safety Awards 2024 - Distinction Power Business



National Award for Excellence - Diversity and Human Resource



National Award for Excellence in Energy Management 2024



CSR Healthcare Changemaker Award



GEEF Global Road Safety Awards 2024



Gold Award - 6<sup>th</sup> ICC Social Impact Awards 2024 - BALCO's Project Arogya



Platinum Award - Grow Care India Fire Safety Award 2024



W E Global Employee's Choice Workplace 2024 in Mid-Size Category



World Safety Organisation (WSO) India State Level OHES Awards 2024





Livelihood Initiatives conferred at ASSOCHAM's Southern Region 5<sup>th</sup> Edition



Twin Success at People First HR Excellence Awards 2024



3 Awards at the 9<sup>th</sup> Annual ISM-INDIA Supply Chain Awards



Lex Falcon Global Award



IMEA Award for 'Future Ready Factory of the Year



GEEF Global Road Safety Awards 2024 Certificate



Wins in three categories at the HR Distinction Awards - Diamond, Platinum, and Gold Award 2024



Project Arogya conferred at ICC Social Impact Awards 2024



GOLD Winner - TITAN International Business Awards 2024



Businessworld SCM Leadership Awards 2024



Silver Award in Supply Chain Visionary



International Safety Awards 2024 - Merit Growth Projects



Bronze Awarded in Excellence in Supply Chain Innovation & Creativity



Honoured at the CSR Journal Excellence Awards



2 Star Bronze Certificate for World Safety Organization National Office for India State Level OHE&S Awards 2024



World Safety Organization National Office for India State Level OHE&S Award 2024-Growth Project



Platinum Certificate of Merit - India Manufacturing Excellence Awards

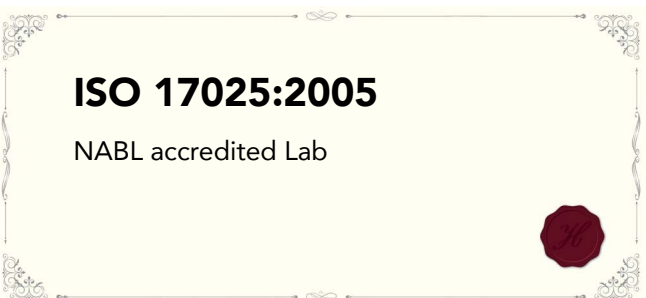
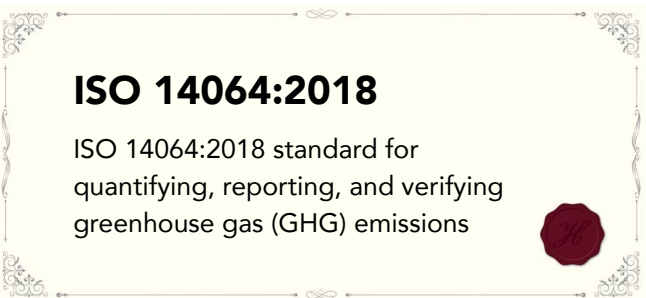
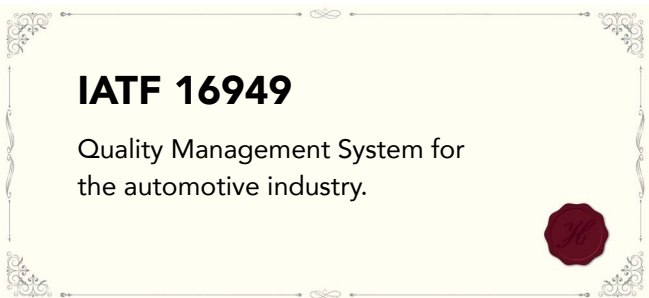
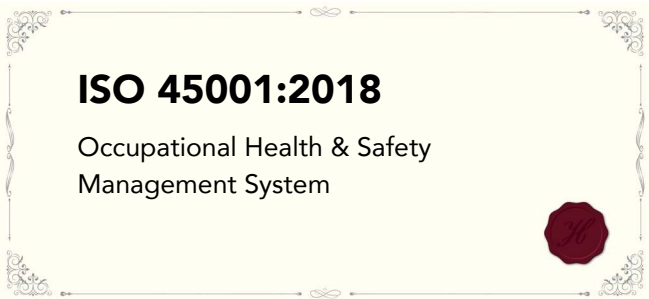
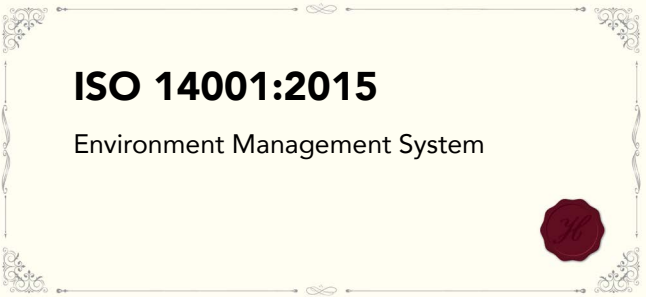


HR Excellence Award 2024 - Leading Practices in Technology Deployment in HR



Best Total Quantity Management Organisation Award 2024 QCFI Certificate

# Certifications





# Profiles of Board of Directors



**Mr. Sushil Kumar Roongta**  
Chairman, Independent Director

**Board committees**

Chairman: CSR  
Member: Audit, Nomination & Remuneration

A seasoned professional with expertise in electrical engineering, business management, and industry leadership, complemented by a strong background in governance and CSR. Actively engaged with apex industry bodies, serving as a member of FICCI and ASSOCHAM and contributing as a jury member for various national awards. Recognised for outstanding leadership with the prestigious SCOPE Gold Award.

M C M



**Mr. Rajesh Kumar**  
CEO & Whole Time Director

**Board committees**

CSR

A senior professional with over 35 years of experience at Tata Steel, bringing deep expertise in operations, maintenance, project implementation, manufacturing, strategic planning and finance. Known for a strong track record in driving efficiency and execution across functions. Holds a Gold Medal in Finance from XLRI, reflecting academic excellence and financial acumen.

M



**Mr. Tarun Jain**  
Non-Executive Director

**Board committees**

Member: Audit, Nomination & Remuneration, Finance Standing

A finance veteran with over 40 years of experience across corporate finance, audit, taxation, secretarial practices, mergers and acquisitions and strategic financial management. Has held key leadership roles at Vedanta, Cairn India and Sterlite, contributing to major financial and strategic initiatives. Currently serves on the boards of medical and advisory firms, bringing deep financial insight and governance expertise.

M M



**Dr. Anoop Kumar Mittal**  
Independent Director

**Board committees**

CSR

A distinguished professional with expertise in civil engineering, consultancy, real estate development and project management, coupled with extensive public sector leadership experience. Formerly led NBCC India and currently serves on the boards of Welspun and Berger Paints. Notably appointed by the Supreme Court to the Board of Unitech, reflecting strong credentials in governance and sectoral reform.

M



**Ms. Nirupama Kotru**  
Government Nominee Director

**Board committees**

CSR

An accomplished IRS officer with expertise in electrical engineering, business management, industry leadership, governance and CSR. Has played a key role in driving e-governance and corporate affairs initiatives at the national level. Currently serves as a Board member at Hindustan Zinc and is actively involved with apex industry bodies, contributing to policy and strategic dialogue.

M



**Ms. Farida M Naik**  
Government Nominee Director

A seasoned CSS officer with a strong background in public administration, psychology and governance within the mining sector. Has held key roles in the National Book Trust and the Ministry of Mines, contributing to policy and institutional development. Currently serves on the Board of Hindustan Zinc, bringing valuable administrative insight and sectoral experience.



**Mr. Mustaq Ahmad**  
Government Nominee Director

A senior MDAS officer with expertise in defence accounts, law, public administration and mining sector governance. Holds legal qualifications and has served in key roles across the Ministry of Defence (Finance) and the Ministry of Mines. Brings a well-rounded perspective combining financial oversight, legal insight, and policy-level experience in public sector governance.



**Mr. Maneesh Kumar**  
Government Nominee Director

An IFS officer with expertise in environmental governance, public administration and forest services. Currently serving as Deputy Secretary in the Ministry of Mines, with a strong track record in environmental regulation and policy implementation. Brings a balanced perspective on sustainable development and regulatory affairs within the mining and natural resources sectors.



**Mr. Dindayal Jalan**  
Independent Director

**Board committees**

Chairman: Audit  
Nomination & Remuneration

A seasoned finance leader with deep expertise in corporate finance, governance, strategic financial management and international operations, particularly in the metals and mining sector. Former Group CFO of Vedanta Resources, with a proven track record in steering large-scale financial strategies. Currently serves on the boards of Vedanta and the HDFC Group, bringing strong leadership and global financial insight.

C C

**Board committees**

Audit Committee Corporate Social Responsibility Committee Nomination and remuneration Committee

C = Chairperson; M = Member



# Management Discussion and Analysis

## Economic Overview

### Global Economy<sup>1</sup>

The global economy experienced a turbulent economic landscape in Calendar Year 2024 and grew at an estimated 3.3%. This steady pace despite various headwinds, such as geo-political unrest, shifting trade dynamics and elevated geo-economic fragmentation highlights the exceptional resilience of economies worldwide. The Eurozone faced stagnation as major economies such as Germany experiencing challenges in the manufacturing sector. Conversely, the US economy projected steady growth owing to healthy corporate profitability and strong consumption. China's economy witnessed subdued and weaker than expected growth as it drove through challenges in its property sector. Geopolitical upheavals, volatile commodity prices and extreme weather patterns while posing challenges in many regions, have also spurred adaptation and innovation.

Asia's emerging markets exhibited robust growth due to its high demand in various sectors. These areas are expected to continue driving growth, creating new opportunities across the globe. While economic headwinds persist in regions like the Middle East, Central Asia and Sub-Saharan Africa, the allure of emerging markets is also increasingly attracting capital inflows adding dynamism to the global economy.

After climbing 6.7% in CY 2023, global inflation is evidently on a downward trend, projected at 5.8% for CY 2024. This positive shift is a sign of progress as central banks across major economies continue to manage inflationary pressures. Leading countries are driving growth in defiance of structural challenges like demographic shifts and productivity gaps by leveraging digitalisation and sustainable investments. However, the imposition of reciprocal tariffs by the United States is anticipated to exert upward pressure on inflation through higher import costs. From March, the US expanded tariffs on steel and aluminium to 25%, removing all exemptions from the tariffs.<sup>2</sup>



<sup>1</sup><https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>

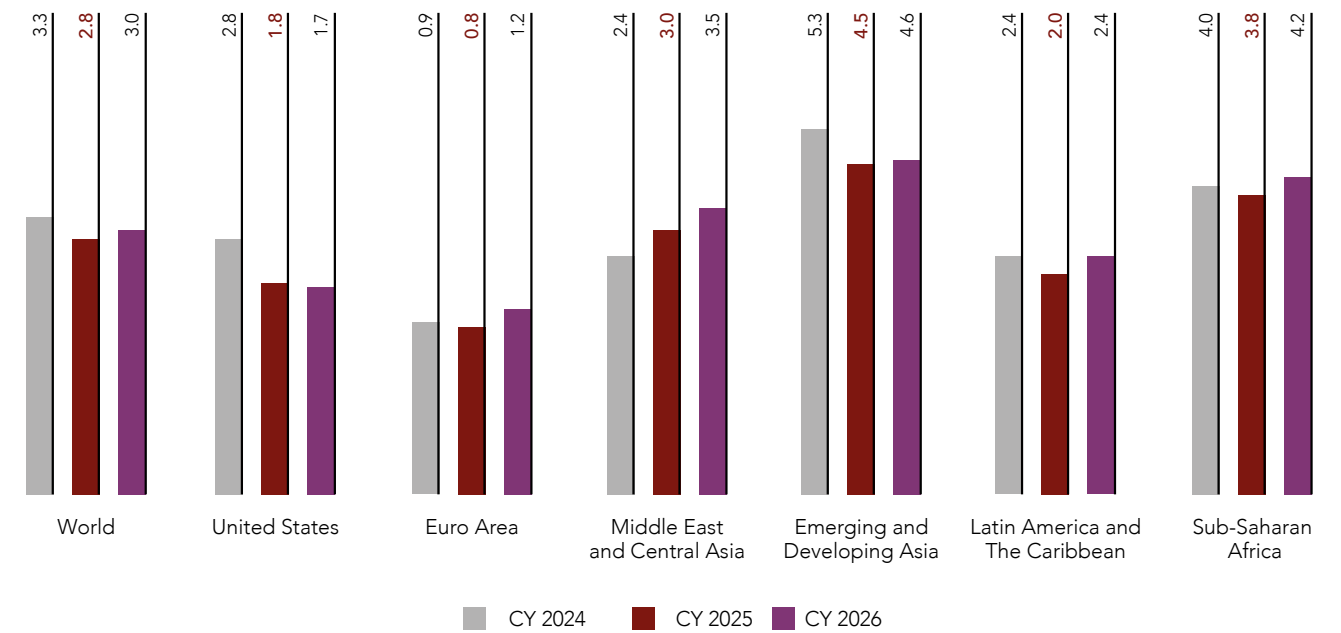
<sup>2</sup><https://www.pwc.com/ca/en/services/tax/publications/tax-insights/us-impose-tariffs-steel-aluminum-imports-2025.html>

### Outlook

The global economy is expected to exhibit moderate growth in the year ahead with IMF projecting a growth of 2.8% in CY 2025 and 3% in CY 2026 (According to April 2025 issue of IMF WEO). Advanced economies are envisioned to grow at 1.4% in CY 2025 while EDMs are expected to exhibit a growth of 3.7% and 3.9% in CY 2025 and CY 2026 respectively. The easing of inflation to 4.3% by CY 2025 heralds a stable global economy, with recovery potential across emerging markets.

Despite ongoing geopolitical strife in Europe and West Asia, a rebound in global economy is anticipated. A sustained economic momentum is expected as governments around the world seek to resolve tariff-related uncertainties through dialogue and mutual understanding. However, potential disruptions such as abrupt commodity price increase, intensified trade barriers and instability in China's financial markets present substantial risks to the global outlook.

### Contributions to Global Growth<sup>3</sup>



### Indian Economy<sup>4</sup>

During the year under review, India's GDP growth is projected at an estimated 6.5%. The economy handled global economic shocks driven by sustained private consumption and rural demand and strong performance across sectors, such as manufacturing, services and trade. Although investment growth experienced a temporary slowdown due to external factors, increased rural consumption was driven by better agricultural output. This augmented private consumption growth to 7.6% and added 4.3% to the overall GDP growth.<sup>5</sup> Additionally, India's Foreign Direct Investment (FDI) exceeded the threshold of USD 1 trillion, reinforcing the nation's reputation as a secure and attractive global investment hub. The government's ongoing investments in infrastructure, logistics and digital connectivity have been crucial in maintaining economic stability. For Financial Year 2024-25, the government allocated INR 11.11 lakh crore

towards capital expenditure, accounting for around 3.4% of the country's GDP.<sup>6</sup>



<sup>3</sup><https://blogs.worldbank.org/en/developmenttalk/the-global-economy-in-five-charts>

<sup>4</sup>[https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review\\_November%202024.pdf](https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review_November%202024.pdf)

<sup>5</sup><https://www.adb.org/sites/default/files/publication/1044336/asian-development-outlook-april-2025.pdf>

<sup>6</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2035558>



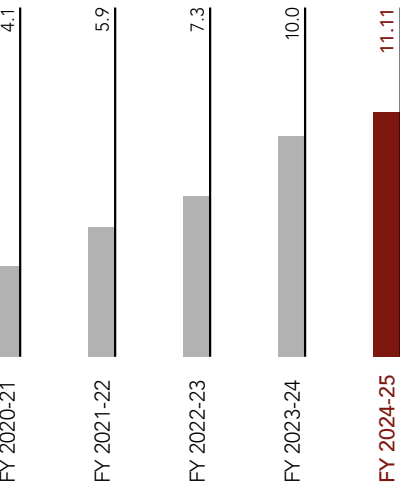
Outlook

The outlook for India's economy remains promising and is expected to sustain its trajectory of growth. India's GDP is expected to grow by an estimated 6.5% in both FY 2025-26 and FY 2026-27<sup>7</sup>. This positions India as one of the world's fastest-growing economies in the coming years. India's economic growth is likely to pick up pace favoured by easing inflation and favourable weather conditions accelerating agricultural outputs and an uptick in rural consumer spending. Further, the recent tax slab revision for salaried individuals implemented by the government is expected to augment discretionary spending among the urban populace. The cuts in repo rate implemented by the Reserve Bank of India is expected enhance credit flow and augment liquidity in the market. These steps by the government and the RBI is expected to bolster the overall economic activity.

However, the current tariff scenario continues to pose threats to trade stability. The Government continues to assess the tariff environment and is calibrating its response. The inflation is expected to ease further to around 4% in FY 2025-26<sup>8</sup>. Additionally, as multinational corporations aim to optimise costs and expand their operations, India will benefit from higher capital inflows, fuelling long-term investment and employment growth. With strong foreign reserves and accommodative government policies, the nation is expected to witness steady growth in the years ahead.

Capital Expenditure of the Central Government<sup>9</sup>

(INR in lakh crores)



Industry Overview

Aluminium Industry

Global Scenario

The global aluminium market was valued at 249.83 billion in CY 2024. The market is further estimated to grow at a Compound Annual Growth Rate (CAGR) of 6.2% and reach USD 403.29 billion by 2032.<sup>10</sup> Elevation in demand spanning industries, such as aerospace, automotive and construction is foreseen to be the key driver of this growth. The global consumption of the aluminium was around 73,237 thousand tonnes in the period of April-2024 to March-2025 which was at 71,174 thousand tonnes in the same time period of last year.<sup>11</sup>



In recent years, there has been a surge in demand for lightweight materials especially for improving efficiency. This has made aluminium increasingly favourable for leading Electric Vehicle (EV) manufacturers, significantly augmenting its demand in the automotive sector. Further, Original equipment manufacturers (O.E.M.s) are gradually phasing out traditional materials like stainless steel and replacing it with aluminium for enhanced efficiency and better emission standards. The construction industry of emerging economies like China and India are further augmenting market growth with their heightened use of aluminium for rapid urbanisation and infrastructure expansion.

<sup>7</sup><https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

<sup>8</sup><https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2120509>

<sup>9</sup><https://www.bbc.com/news/world-asia-india-68823827>

<sup>10</sup><https://www.fortunebusinessinsights.com/industry-reports/aluminium-market-100233>

<sup>11</sup><https://www.crugroup.com/en/commodities/aluminium/>

With the production of 72,938 thousand tonnes of aluminium in the period of April-2024 to March-2025, China continues to dominate the market, positioning itself as a leader in global supply with 43,275 thousand tonnes.<sup>12</sup> The North American market experienced high demand from the automotive and transportation industries, with EV adoption serving as a major growth driver. Europe's aluminium market is also being swayed by the demand from the automotive industry with the region focusing on reducing its carbon emissions and promoting electric vehicles. The aluminium market in developing countries are also witnessing a steady rise in demand due to the expansion of the packaging industry and heightened emphasis on the incorporation of sustainable recycling practises. The rise in construction activities in regions like the Middle East and Africa are expected drive market growth modestly, while Latin America experiences a surge in aluminium consumption due to its increasing emphasis on infrastructure development.

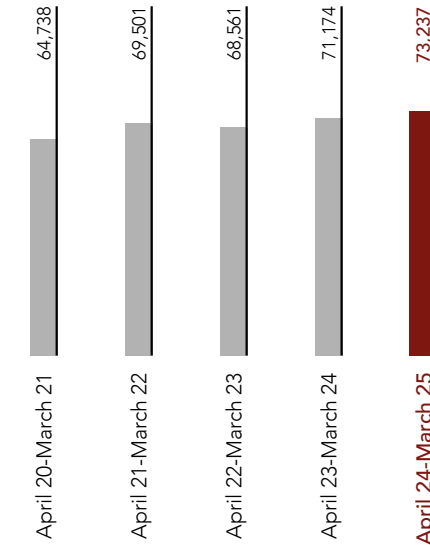
The global aluminium market is on track to see an uptick in growth due to recycling advancements, along with a focus on sustainability and lightweight and durable materials across industries. As key economies continue to integrate aluminium in innovative applications, the market is well-positioned for sustained expansion. The market is further driven by its versatility and crucial its role in helping industries reach global industrial and environmental goals.

72,938 Thousand Tonnes

Aluminium Produced from April-2024 to March-2025

Global Primary Aluminium Consumption

(in thousand tonnes)



Source: CRU International Limited

<sup>12</sup><https://www.crugroup.com/en/commodities/aluminium/>

<sup>13</sup><https://www.techsciresearch.com/report/india-aluminum-market/15108.html#collapseOne>

<sup>14</sup><https://www.crugroup.com/en/commodities/aluminium/>

Indian Scenario

In FY 2025, the Indian aluminium market was valued at USD 13.77 billion and is projected to expand at a CAGR of 6.27% until 2030.<sup>13</sup> The total consumption of the primary aluminium in the country was 2,650 thousand tonnes from April-2024 to March-2025 compared to the 2,365 thousand tonnes in previous year in the same time period. The nation's aluminium production witnessed a rise to 4,221 thousand tonnes in the period of April-2024 to March-2025 from 4,169 thousand tonnes in the previous year. India remains the key driver in wire rod production in year 2024 and it is expected to remain so for year 2025.<sup>14</sup>

India continues to dominate the non-ferrous metals industry as the second-largest aluminium producer globally. This dominance can be attributed to the country's copious bauxite deposits, cutting-edge mining technology and government-led initiatives designed to stimulate industrial development. Initiatives such as 'Make in India', Housing for All, the Smart Cities Mission, the INR 100 lakh crore National Infrastructure Pipeline and ambitious renewable energy projects have provided strong impetus to India's aluminium sector. Besides, initiatives aimed at promoting electric mobility such as Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) coupled with rising Foreign Direct Investment (FDI) have further propelled demand and production capacity.

2,650 Thousand Tonnes

Primary Aluminium Consumed from April-2024 to March-2025



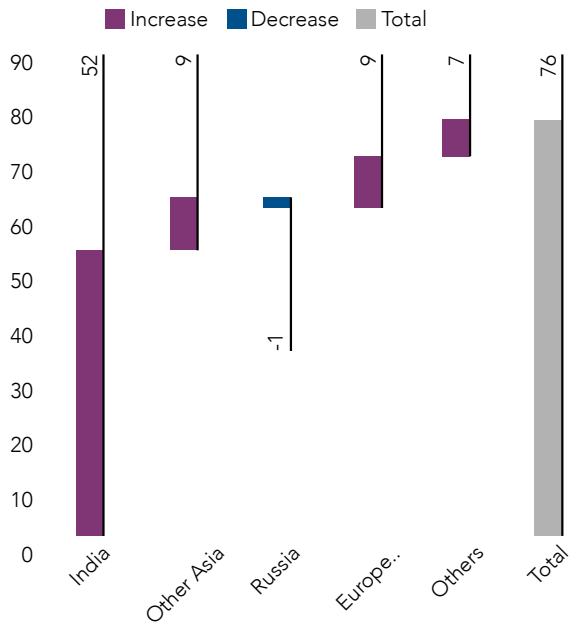


4,221 Thousand Tonnes

Primary Aluminium Produced from April-2024 to March-2025

India the key driver in rod output in 2024

(in thousand tonnes)



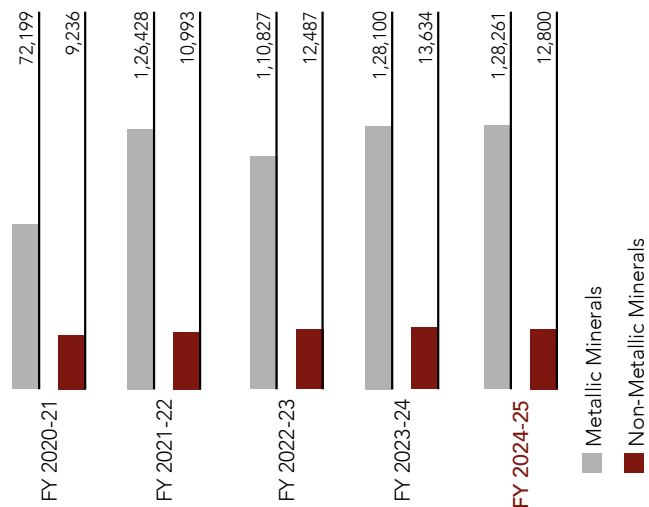
Source: CRU International Limited

DATA: CRU \*Regional disruption adjustments excluded

Key sectors such as, construction automotive, infrastructure and machinery and energy are increasingly preferring aluminium owing to its durability and versatility. This shift is further augmenting the consumption and demand of aluminium. India's rising GDP growth coupled with rapid industrialisation and urbanisation are set to further elevate the aluminium demand.

Value of Mineral Production

(INR in crore)



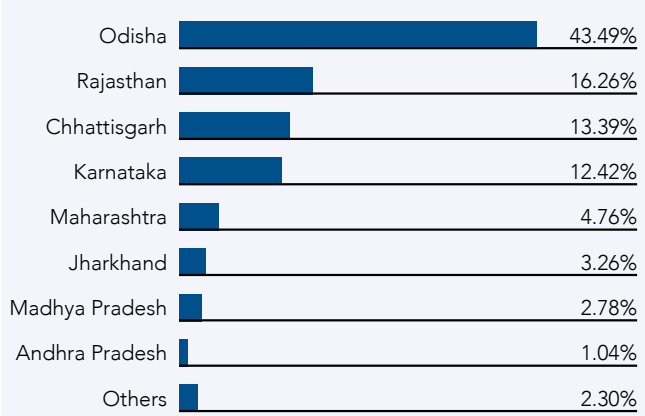
Despite China's dominance in global production, India is strategically positioned to play a vital role in shaping the future of the industry. Augmented production of aluminium has helped the country to outperform many established players and has solidified the nation's position as a key player in the global aluminium market.

Mining Industry

The Mining sector is an integral component of the Indian economy. India has abundant natural resources, especially minerals, which serve as key raw materials across various industries. The total value of mineral production (excluding atomic, fuel minerals and minor minerals) during FY 2024-25 was estimated to be INR 1,41,061 crores. The total value of metallic minerals was INR 1,28,261 crore which accounts for 91% of the total mineral production. In addition, non-metallic minerals production was valued at INR 12,800 crore. Odisha commands highest share in the mineral production with 43.49%, followed by Rajasthan (16.26%), Chhattisgarh (13.68%) and Karnataka (12.42%). India remains largely self-sufficient in key minerals that serve as primary raw materials for industries like iron and steel and cement. It is self-reliant or close to being self-reliant in minerals such as bauxite, chromite, iron ore, kyanite, limestone and sillimanite.<sup>15</sup>

The mining and metals sector is witnessing notable progress, driven by expedited urbanisation and infrastructure development. This is boosting demand for core metals like steel and aluminium. Government initiatives such as 'Make in India' are bolstering industrial growth and increasing the need for key minerals. The global shift toward clean energy and electric vehicles is accelerating demand for critical minerals like lithium, cobalt and aluminium. Supportive policies, faster clearances and transparent mineral auctions are promoting domestic production and exploration.

Percentage Shares of States in Minerals Production in FY 2024-25



<sup>15</sup><https://mines.gov.in/admin/download/67b42e623b87e1739861602.pdf>



Overview of Related Industries

Automobile

India is the world's fourth-largest automobile market. The market contributes 7.1% to the nation's GDP.<sup>16</sup> The auto industry utilises 27% of the country's aluminium, a share which expected to grow as the demand for lightweight materials increases to enhance fuel efficiency and reduce emissions.<sup>17</sup>

The combination of ascending disposable income, aspirational spending of the rising middle class, heightened urbanisation and an enhanced network of roadways has fuelled a surge in personal vehicle demand, driving automotive sales. Capitalising on this opportunity, leading automakers are expanding their production and building a strong supply chain for aluminium components in India.

With consistent economic growth, supportive policies and technological advancements shaping the industry, the Indian automotive sector continues to drive aluminium demand. This trend positions the automotive industry as a key pillar of the aluminium market's growth.

Building Construction

In FY 2024-25, the Indian government has raised its capital expenditure by 11.1% to USD 133 billion, representing 3.4% of GDP.<sup>18</sup> This significant investment aims to accelerate growth in the construction sector and pave the way for nationwide infrastructure development. This surge in construction has

<sup>16</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2121826>

<sup>17</sup><https://www.manufacturingtodayindia.com/the-essential-role-of-engineered-aluminium-in-modern-vehicles>

<sup>18</sup><https://www.investindia.gov.in/sector/construction>

<sup>19</sup><https://www.mordorintelligence.com/industry-reports/india-residential-construction-market>

<sup>20</sup><https://mines.gov.in/webportal/internationalmineralsscenario>

augmented the demand for aluminium, a preferred material for its durability and sustainability.

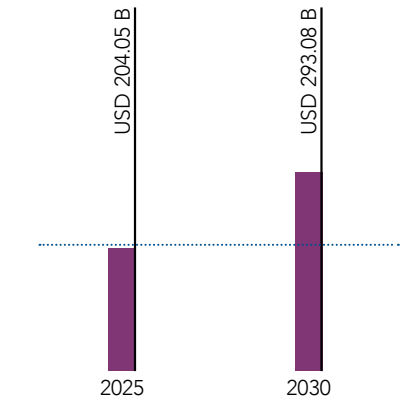
The shift towards green and sustainable buildings has further enhanced aluminium's appeal, as it is 100% recyclable and has a lower environmental impact compared to other materials. Affordable housing initiatives like the Pradhan Mantri Awas Yojana (PMAY) have also contributed to a steady rise in construction activities, ensuring continuous demand for aluminium.

Technological advancements in aluminium manufacturing now enable the production of high-quality materials that meet the strict standards of modern construction. With the ongoing construction boom, aluminium remains a critical component in India's building sector.

Indian Residential Construction Market Size<sup>19</sup>

Market Size in USD Billion

CAGR 7.51%



Source: Mordor Intelligence

Power Infrastructure

India's cable and conductor manufacturing industry comprises nearly 600 units with a combined production capacity of approximately 4,00,000 tonnes per year.<sup>20</sup> Aluminium plays a crucial role in this sector, serving as the most widely used material for electricity transmission and distribution. Aluminium conductors are extensively utilised for transmitting power across long distances and as connecting conductors in power system equipment such as transformers.

With the nation aiming to generate 50% of its electricity from renewable sources by 2030, aluminium has become an important element in India's evolving energy landscape. The country has been at the forefront of replacing copper with aluminium in power transmission and distribution leading to a significant surge in aluminium demand.



Food Packaging

The Aluminium Foil Packaging Market is projected to grow from USD 29.25 billion in year 2025 to USD 37.22 billion by year 2030, registering a CAGR of 4.94%.<sup>21</sup> This growth is expected to be driven by the ascending demand of sustainable packaging solutions in the food and beverage industry and the implementation of strict government regulations aimed at reducing plastic waste.

Aluminium foil is preferred in food packaging due to its shielding property against light, oxygen, moisture and bacteria, ensuring product freshness and safety. Its use in aseptic packaging further enhances its appeal, allowing perishable goods to be stored without refrigeration.

With the food packaging industry increasingly prioritising eco-conscious practices, aluminium’s inherent properties make it a preferred option for achieving sustainability goals. This growing focus on sustainable packaging is expected to further fuel the demand for aluminium foil in the years ahead.

Company Overview

Bharat Aluminium Company Limited (BALCO) was established in 1965 and has since played a crucial role in shaping the nation’s industrial landscape. In 2001, the Government of India strategically divested 51% of its shares in BALCO to Vedanta

Limited (erstwhile Sterlite Industries (India) Limited). This move marked a significant shift in the Company’s trajectory, allowing it to expand further under private ownership while continuing to contribute to India’s industrial growth.

BALCO has been at the forefront of promoting aluminium as a viable alternative to other metals. Aluminium can serve as an alternative to steel in construction and copper in the power transmission industry. This has had a significant impact on sectors like infrastructure and energy, where aluminium’s lightweight, corrosion-resistant properties offer distinct advantages over traditional materials.

The Company’s primary operations are located in Korba, Chhattisgarh, with a smelter capacity of 580,000 tonnes. At this facility, the Company produces a range of high-quality products, including ingots, wire rods, busbars and rolled products, which are used in various industries such as construction, automotive and electrical, this allows BALCO to maintain a strong position in both domestic and international aluminium market.

580,000 Tonnes

Smelter Capacity



<sup>21</sup><https://www.mordorintelligence.com/industry-reports/aluminum-foil-packaging-market>

Business Portfolio

Wire Rods

BALCO is one of the leading wire rod manufacturers in the world. Our mills are fully equipped with in-line degassing and filtration systems to ensure good internal metal quality and cleanliness. Other aligned products in the same segment includes Alloy Wire Rods.

217 KT

Production of Wire Rods in FY 2024-25

Ingots

BALCO produces Primary Aluminium ingots that are re-melted to produce a variety of end products covering the entire spectrum of aluminium applications using state-of-the-art technology.

250 KT

Production of EC Ingots in FY 2024-25

Rolled Products

BALCO is equipped to deliver high quality rolled products with application in automobiles, insulations, bus bars, power projects, electrical, packaging etc. Other aligned products in the same segment include Hot rolled coil, Cold rolled coils and trips, Hot rolled plates, Cold rolled sheets.

29.64 KT

Production of Rolled Products in FY 2024-25

Alloy Ingots

BALCO supplies Alloy Ingots in many industry segments. The casting facility has metal treatment facilities of Degassing & Metal Filtration Unit and Vertical Chill Casting Technology for AISi.

89.56 KT

Production of Alloy Ingots in FY 2024-25

Company Outlook

Looking forward, Bharat Aluminium Company Limited (BALCO) is poised to embark on a strategic roadmap to achieve its growth objectives across short, medium and long term horizons. The Company’s future strategy incorporates sustainable and inclusive growth, underpinned by a commitment to operational excellence, environmental stewardship and social responsibility.

The Company plans to enhance its smelting capacity from 0.58 MTPA to 1.1 MTPA, focusing on the growth project that includes a 435 KTPA smelter with a 180 KTPA Rolled Products facility. This expansion is expected to fortify the Company’s position within the ‘1 MnT club’, ensuring the Company remains at the forefront of the aluminium industry globally. Additionally, BALCO is set to strengthen its green initiatives, with a target to achieve 500 MW by FY30.

As part of its long-term vision, the Company is focused on leveraging advanced technologies such as AI driven process optimization, predictive analytics and digital monitoring to improve real-time operational efficiency and reduce energy consumption intensity. Future smelter lines are expected to incorporate RCC or Recoverable Copper Cathode in collector bars, designs with full copper collector bars. This first-in-India innovation is aimed at setting global benchmarks in energy efficiency.

Furthermore, BALCO plans to explore alternative anode coating materials to reduce carbon emissions while scaling up automation to enhance data-driven decision-making and process stability.



SWOT Analysis



Strengths

Capacity Expansion

BALCO's smelter expansion project witnessing steady progress, with equipment installation approaching final stages. The commissioning is targeted for H1FY26. The commissioning will significantly enhance the Company's overall capacity.

Value-Added Product Portfolio

The Company offers a diverse portfolio of products which spans aluminium ingots, wire rods, rolled products and alloy rods. This diversification enhances the Company's market reach and profitability.

Technology Innovation and Digital Transformation

BALCO has embraced advanced technologies, including AI, IoT and digital twins, to drive operational excellence. These innovations enable the Company to simulate scenarios, identify inefficiencies and optimise processes efficiently. This is leading to improved product quality and cost reductions.



Weakness

Environmental Compliance Challenge

With environmental regulations becoming more stringent, ensuring compliance may require significant investments in technology and processes. Issues like smelter expansion clearances, environmental scrutiny over bauxite mining practices may increase operating costs, delay projects and may pose threats to the Company's reputation.

Exposure to Energy Price Volatility

Energy price fluctuations pose threats to the Company's energy-intensive operations. Such volatility can impact production costs and profitability, especially in the absence of energy cost hedging mechanisms.



Opportunities

Expansion into Value-Added Products

There's potential to further develop and market high-margin value-added products, catering to specialized industries and increasing profitability.

Growth in Renewable Energy Sector

The rising demand for aluminium in renewable energy applications, such as solar panels and wind turbines, presents growth opportunities.

Strategic Partnerships and Collaborations

Establishing partnerships and collaborations with global players can open new markets and bring in technological expertise.

Domestic Sale Mix

We are pursuing opportunities within the domestic market to unlock growth and increase our proportion of domestic sales, which command higher margins.



Threats

Volatility in Global Aluminium Prices

Due to the commodity nature of aluminium, fluctuations in global aluminium prices can considerably impact the revenue and profitability of the Company.

Competition from International and Domestic Players

The presence of strong competitors in both domestic and international markets can affect market share and pricing strategies.

Financial Results

Particulars	(₹ in Crores)	
	FY 2024-25	FY 2023-24
Revenue from operations	15,807.97	13,140.73
Other Operating Income	100.95	141.56
Other income	559.24	274.6
Total income	16,468.16	13,556.89
EBITDA	4,533.76	2669.52
Profit before tax	3,931.27	1,862.06
Profit after tax	2,968.92	1,384.93
Cash flow from operations	3,334.93	1,603.39

Key Financial Ratios

Particulars	(₹ in Crores)	
	FY 2024-25	FY 2023-24
EBITDA margin (%)	28.68	20.31
Debt-equity ratio	0.28	0.22
Return on equity (%)	27.91	16.42
Return on capital employed	24.78	17.04
Book value per share (INR)	550.99	413.38
Earnings per share (INR)	134.57	62.77
Interest service coverage ratio	2.88	5.27
Current ratio	0.74	0.56
Net profit margin (%)	18.78	10.54

Risk Management

The Company's risk management framework is an integral component of its operations. The framework enables the Company to identify, assess and address potential risks effectively. The Risk Management Committee regularly reviews the framework to maintain its alignment with the Company's mission and vision.

BALCO's risk management framework encompasses areas, such as environment, raw materials, manufacturing, finances, technology, safety and regulations. It considers the scope and severity of risks, while understanding the complexity of its business operations.

For a detailed note on the Company's risk management, refer to page 32.

Human Resources

Balco immensely values its employees and believes that its success is rooted in the strengths and loyalty of its workforce. The Company is focused on empowering its human resources by recognising their potential and aligning their talent with its mission.

The Company focused on building a supportive, inclusive and engaging workplace where every employee feels valued and empowered. Key efforts were made to attract and retain talent, promote diversity, enhance learning opportunities and ensure employee well-being. Through leadership development programmes, digital learning tools and meaningful engagement initiatives, BALCO made concerted efforts towards creating a future-ready workforce that is aligned with its values and vision.

7,430

Total Workforce

For a detailed note on the Company's human resources, refer to page 70.

Internal Control Systems and Their Adequacy

The Company has a strong internal audit system that is regularly reviewed and updated to protect its assets, meet regulations and quickly resolve any issues. The audit committee actively reviews internal audit reports, takes necessary actions and works closely with statutory and internal auditors to keep the internal controls effective. This solid audit framework helps the Company operate with honesty, transparency and responsibility while managing risks and protecting stakeholder interests.

Cautionary Statement

The Management Discussion and Analysis section may include 'forward looking statements' about the future, as outlined under applicable securities laws and regulations. These statements reflect the Company's plans, predictions and expectations about what could happen. However, there's no guarantee that these will turn out as expected, as actual results may vary significantly due to factors outside the Company's control. The Company is not obligated to publicly amend, modify or revise any forward-looking statements based on subsequent developments.



NOTICE OF THE 59<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 59<sup>TH</sup> ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF BHARAT ALUMINIUM COMPANY LIMITED ("COMPANY") WILL BE HELD ON FRIDAY 27<sup>TH</sup> JUNE 2025 AT 3:30 P.M. IST THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MODE ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES AS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2025, and the reports of the Board of Directors and Auditor's thereon and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution:**

**"RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2025, together with the reports of the Board of Directors and Auditors thereon as laid before this meeting, be and are hereby received, considered and adopted."

2. To re-appoint Ms. Farida M. Naik (DIN: 07612050), Nominee Director on the Board of the Company, who retires by rotation and being eligible, offers herself for re-appointment as a Director and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 ("**Act**"), and rules made thereunder (including any modification(s) or re-enactment(s) thereof for the time being in force), as per Article 70 of the Articles of Association of the Company, Ms. Farida M. Naik (DIN: 07612050), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as Nominee Director of the Company, whose office shall be liable to retirement by rotation."

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditor for the financial year ending 31<sup>st</sup> March 2026 and in this regard to consider and if thought fit, to pass the following resolution (with or without modification(s)) as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 ("**Act**") and the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. R J Goel & Co. (Firm Registration No. 000026), appointed by the Board of Directors of the Company as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2026, amounting to ₹ 2,70,000/- (Rupees Two Lakhs Seventy Thousand Only), excluding taxes and out-of-pocket expenses, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified.

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

By order of the Board

Sd/-

**Wageesha Agarwal**

Company Secretary  
ACS-67456

Date: 22/04/2025

Registered Office:

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

**CIN:** U74899DL1965PLC004518

**Email:** [wageesha.agarwal@vedanta.co.in](mailto:wageesha.agarwal@vedanta.co.in)

**Website:** [www.balcoindia.com](http://www.balcoindia.com)

**Tel:** 011-49166200

NOTES:

1. Pursuant to the **General Circular no. 09/2024 dated 19.09.2024** read together with the previous General Circular no. 20/2020 dated 05.05.2020, General Circular no. 10/2022 dated 28.12.2022, General Circular no. 09/2023 dated 25.09.2023 (collectively to be referred to as "**MCA Circulars**"), issued by Ministry of Corporate Affairs (**MCA**), has allowed holding the Annual General Meeting ("**AGM**") of the Company due in the Year 2025, through Video Conferencing ("**VC**")/Other Audio Visual-Means ("**OAVM**") without the physical presence of the Members at a common venue, on or before 30<sup>th</sup> September 2025, in accordance with the requirements laid down in Para 3 & 4 of the General Circular dated 05.05.2020. Therefore, in compliance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("**Act**"), the 59<sup>th</sup> AGM of the Company is scheduled to be held through VC/OAVM and the deemed venue of the AGM shall be the registered office of the Company.
2. The Explanatory Statement pursuant to Section 102(1) of the Act setting out the material facts relating to the special businesses to be transacted at the 59<sup>th</sup> AGM as set out in **Item No. 3** above is annexed hereto.
3. Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll on their behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Therefore, the facility to appoint a proxy to attend and cast vote for the Members will not be available for this AGM and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Participation of Members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM (on all working days, except Saturdays, during business hours). Members seeking to inspect such documents can send an e-mail at the designated email address mentioned in the Notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act will be available for inspection by the Members during the AGM of the Company through electronic mode.
7. The relevant details regarding the Directors seeking appointment/re-appointment at this AGM are provided in **Annexure-I** in accordance with the Secretarial Standard on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government in accordance with Section 118(10) of the Act.
8. Corporate Members intending its Authorized Representatives to attend the AGM through VC/OAVM and cast vote at the AGM are requested to send to the Company a scanned copy in pdf/jpg format of the Board Resolution authorizing its representative to attend and vote on their behalf at the AGM pursuant to Section 113 of the Act, email at the designated email address mentioned in the Notice.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. In compliance with the MCA Circulars, Notice of the AGM along with the Integrated Annual Report of FY 2024-25 is being sent only through electronic mode to those Members whose E-mail ID is registered with the Company/Depository Participants ("**DPs**"). Members may note that the Notice and Integrated Annual Report 2024-25 will also be available on the Company's website at <https://www.balcoindia.com/>. Physical Copy of the same will be provided by the Company to the Members who request the same. Members whose email address is not registered/updated with the Company may update the same by sending an email to the designated email address as mentioned in this notice.
11. Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of AGM for the purpose of recording the minutes of the proceedings of this AGM.
12. Members may note the designated email address of the Companys at [wageesha.agarwal@vedanta.co.in](mailto:wageesha.agarwal@vedanta.co.in) for any technical assistance required before or during the meeting and for registering the email id with the company for participating in the meeting.
- Members may further note the following instructions for joining the AGM through VC / OAVM as per MCA Circulars:
- (i) The Company shall be providing a two-way teleconferencing facility via Zoom application for the ease of participation of the Members.



Annexure-I to the Notice of AGM

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



Name of Director	Ms. Farida M. Naik
Category of the Director	: Government Nominee Director
Director Identification Number (DIN)	: 07612050
Age	: 54 years
Qualification	: Ms. Farida M. Naik is an alumna of Sophia College, Mumbai from where she graduated in Psychology.
Brief Resume/Experience (including expertise in specific functional area)	: Ms. Naik is currently a Joint Secretary in the Ministry of Mines, Government of India. She has held various positions in different ministries and departments of the Central Government, which includes her last stint as Joint Director of the National Book Trust and Director in the Ministry of Mines. She was serving as a Director on the Board of Bharat Gold Mines Limited and Hindustan Zinc Limited.
Date of first appointment / re-appointment on the Board	: 21 <sup>st</sup> November 2022
Terms & Conditions of appointment / re-appointment	: Director liable to retire by rotation to be re-appointed in terms of Section 152(6) of the Companies Act, 2013.
Shareholding in the Company as on 31 <sup>st</sup> March 2025	: NIL
Remuneration Last Drawn (including Sitting fees)	: NIL*
Remuneration proposed to be paid	: NIL*
Relationship with other Directors/KMPs/Managers	: None as per the definition of Relatives specified in the Companies Act and Listing Regulations.
Number of Board meetings attended during the year	: Please refer the Corporate Governance Report of FY25.
Directorships, in other companies as on 31 <sup>st</sup> March 2025	: Nil
Membership / Chairmanship of Committee of Other Companies as on 31 <sup>st</sup> March 2025	: Nil

\* Officiating government employees from Ministry of Mines (New Delhi).

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

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

Item No. 3:

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

The Board of Directors, on the recommendation of the Audit Committee, at its meeting held on 22<sup>nd</sup> April 2025, approved the appointment of M/s. R J Goel & Co., as the Cost Auditor of the Company at remuneration of ₹2,70,000/- (excluding taxes and out-of-pocket expenses) to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2026.

Accordingly, ratification by the Members is being sought for the remuneration payable to the Cost Auditor for FY 2025-26 by way of an Ordinary Resolution as set out in Item No. 3 of the Notice.

The Board of Directors recommends the Ordinary Resolution as set out for this Item No. 3 of the Notice for approval of the Members.

None of the Directors / Key Managerial Personnel / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution as set out in Item No. 3 of the Notice, except to the extent of their shareholding.

By order of the Board

Sd/-  
**Wageesha Agarwal**  
Company Secretary  
ACS-67456

Date: 22/04/2025

Registered Office:

Aluminium Sadan, Scope Office Complex, Core-6,  
7 Lodhi Road, New Delhi-110003.  
**CIN:** U74899DL1965PLC004518  
**Email:** [wageesha.agarwal@vedanta.co.in](mailto:wageesha.agarwal@vedanta.co.in)  
**Website:** [www.balcoindia.com](http://www.balcoindia.com)  
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# Board’s Report

Dear Members,

Your Directors take pleasure in presenting the **59<sup>th</sup> Integrated Annual Report** of **Bharat Aluminium Company Limited**, along with the Audited Financial Statements for the Financial Year ending March 31, 2025.

**(A) KEY BUSINESS, OPERATIONS AND FINANCIAL PERFORMANCE**

**I. Company Overview:**

Founded in 1965 with the foundation stone laid by Mr. Jawaharlal Nehru, Bharat Aluminium Company Limited (“BALCO” or “Company”) has played a vital role in shaping the Indian aluminium industry. Originally a public sector undertaking (PSU), BALCO’s journey took a significant turn in 2001, when the Government of India disinvested 51% of its shares to Sterlite Industries (India) Limited, now Vedanta Limited.

BALCO is a leader in value-added aluminium products that find critical applications in core industries. Major operations are based in the town of Korba, Chhattisgarh, where a 1740 MW power generation facility supports both BALCO’s operations and contributes to Chhattisgarh state’s energy

needs. The Company is playing a crucial role in introducing aluminium as a potential alternative to other metals like steel in construction and copper in the power transmission industry. Its finishing lines are capable of producing high-quality ingots, wire rods, busbars, and rolled products, which are integral to several key sectors.

**II. Financial Performance at a Glance:**

- a. During the financial year 2024-25, revenue from operations increased to ₹ 15,808 Cr. as against ₹ 13,141 Cr. in the previous year – a increase of 20%.
- b. EBITDA increased to ₹ 4,534 Cr.
- c. Cost of goods sold as a percentage to revenue from operations reduced to 63% as against 68% in the previous year.
- d. The Profit before Tax for the current year is ₹ 3,931.27 Cr. against a profit of ₹ 1,862.06 Cr. in the previous year on account of higher EBITDA.
- e. Finance Cost for the current year is ₹ 203.44 Cr. against ₹ 190.46 Cr. in FY24 - an increase of 6.82%.
- f. Loan of ₹ 363 Cr. repaid during FY25.

**III. Key Financial Highlights:**

The Company’s financial performance for the FY 2024-25 and of the previous year is summarised below:

(₹ in Crores)		
Particulars	FY25	FY24
<b>Turnover</b>	<b>15,808</b>	<b>13,141</b>
<b>EBITDA</b>	<b>4,534</b>	<b>2,670</b>
Depreciation	625	577
Other income (net of expenses)	226	(40)
<b>Operating profit before finance Cost</b>	<b>4,135</b>	<b>2,053</b>
Finance Cost	203	190
Exceptional Item	-	-
<b>Profit/(loss) before tax</b>	<b>3,931</b>	<b>1,862</b>
Tax Expense	962	477
<b>Profit/(loss) after tax</b>	<b>2,969</b>	<b>1,385</b>
Other comprehensive income/(loss)	67	(12)
<b>Total comprehensive income/(loss)</b>	<b>3,036</b>	<b>1,373</b>
Paid up Equity Share Capital	221	221
Opening reserves	8,900	7,527
Debenture Redemption Reserve	-	-
Capital reserve	9	9
Other Free Reserves	8,890	7,517

(₹ in Crores)		
Particulars	FY25	FY24
Transfer to DRR from free reserves	-	-
Other receipts in Free reserves	-	-
<b>Closing Reserves</b>	<b>11,935</b>	<b>8,900</b>
Debenture Redemption Reserve	-	-
Capital reserve	9	9
Other Free Reserves	11,926	8,890

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

**IV. Operational Overview and State of the Company’s Affairs:**

**a. Sales & Dispatch**

- Highest-ever Domestic Sales: 538.58 KT in FY25, surpassing the previous best of 481.44 KT in FY24.
- Highest-ever VAP Sales: 335.02 KT in FY25, surpassing the previous best of 323.06 KT in FY24.
- Highest-ever Alloy Rod Sales: 13.02 KT in FY25, surpassing the previous best of 10.90 KT in FY24.
- Highest-ever Ex-Works Sales: 403.07 KT in FY25, surpassing the previous best of 114.96 KT in FY24.

**b. Volume & Specifics**

- FLA**
- FLA achieved its highest-ever production of 5,86,206 MT in FY25, surpassing the previous best of 573,515 MT in FY24, marking a 2% improvement.
  - Highest-ever EC Wire Rod Production: 2,03,995 MT in FY25, marking a 10% improvement over the previous best of 1,85,356 MT in FY24, generating an additional EBITDA of \$3.26 million.
  - Highest-ever Alloy Wire Rod Production: 13,002 MT in FY25, surpassing the previous best of 10845 MT in FY24, generating an additional EBITDA of \$0.73 million.
  - Highest-ever High Purity Ingot Production: 57,663 MT in FY25, surpassing the previous best of 47,558 MT in FY24.
  - Highest-ever VAP reached 57.35% in FY25, marking a 1% improvement from the previous best VAP of 56.3% in FY24.
  - Scrap WIP reduction in Cast house excluding RP from 759 MT to 21 MT in FY25, resulting in

approximately 1.5 million dollars in cashflow for FY25, signifies a 96% reduction in scrap.

- Lowest Alloy Wire Rod Melt Loss: 0.89% in FY25, compared to the previous best of 0.91% in FY23.
- PFA Alloy Specific Consumption: Reduced from 8.163%/MT to 8.045%/MT, resulting in an annual savings of \$0.2 million.
- Achieved successful HZL Plate Casting through the Caster Route (8.5 mm) and its first-ever rolling (6 mm & 7 mm) in the Cold Rolling Mill (CRM).

**POTLINES**

- Achieved the highest-ever production in Potline at 587 KT, surpassing the previous best of 583 KT in FY24, reaching 105% capacity utilization, contributing to an EBITDA of \$2.4 million.
- Highest-ever PFA metal availability of 821 MT/day, a 130% increase from 350 MT/day in FY24.
- Recorded highest-ever amperage of 340.3 KA in Potline, surpassing the previous best of 336.4 KA in FY24.
- Achieved the highest-ever pots on production with 620 pots, surpassing the previous best of 619.8 pots in FY24.
- Lowest-ever Pot Turnaround Time (TAT) of 8.2 days for 110 pots, an improvement from 9.2 days for 104 pots in FY24.
- Achieved lowest-ever net carbon consumption of 410.2 Kg/MT, improving from 412.9 Kg/MT in FY24, driving \$1.27 million savings.
- Lowest-ever Specifications Water Consumption of 0.41 m³/MT, surpassing the previous best of 0.51 m³/MT in FY24.
- Achieved 14% reduction in inventory in potline, bringing it down to ₹ 21.11 Cr.



CARBON

- Achieved the highest-ever Green Anode Production of 3,36,688 in FY25, surpassing the previous best of 3,35,232 in FY20.
- Throughput of GAP: Attained the highest-ever throughput of 32.06 TPH, exceeding the previous best of 30.99 TPH in FY20.
- GAP Availability: Reached the highest-ever availability of 75.99%, surpassing the previous best of 73.04% in FY21.
- Bake Oven Availability: Achieved the highest-ever availability of 95.65%, compared to the previous best of 94.22% in FY24.
- Rodding Availability: Reached the highest-ever availability of 85.25%, surpassing the previous best of 79.72% in FY24.
- Air Permeability: Achieved the lowest-ever rate of 0.74nPm, compared to the previous best of 0.99nPm in FY24.
- Specifics: Lowest-ever Specific Fuel Consumption: 42.1 L/MT in FY25 (previous best: 43.7 L/MT in FY24). Balco Bake Oven is the Indian benchmark in fuel consumption, saving ₹3.1 Cr.
- GWC: Reduction in GWC of Carbon: Achieved a reduction of ₹7.35 Cr. in FY25 through the dilution of 2,100 MT rejected stock, saving ₹0.7 Cr.
- Reliability: In FY25, the Pitch TAT was significantly reduced to 6.65 hours, down from 12.9 hours in FY24. Impressively, in Q4FY25, the TAT was further reduced to 5.01 hours.
- Pig Iron Consumption: Achieved the lowest-ever level of 0.38 Kg/MT, compared to the previous best of 0.45 Kg/MT in FY24.

c. Quality

- Reduction in Cost of Poor quality (COPQ) from ₹ 33 Cr. in FY23 to ₹ 18.78 Cr. in FY24, and ₹ 14.79 Cr. in FY25
- Successful installation of 4 rotor degasser system in PFA & CFF design from 17 inch to 23 inch in FY25.
- Recorded the lowest-ever GAP Rejection of 1.32%, down from the previous best of 1.99% in FY24.

- Achieved highest-ever CRR of 93.73% in FY25 (91.91% in FY23, 92.92% in FY24).
- Achieved lowest-ever Fe 574 PPM in FY25 (631 PPM in baked anodes in FY24).
- Achieved lowest-ever Na 715 PPM in FY25 (Previous best was 867 PPM in fine Butt FY24).
- Anode Slot height increased from 237 mm to 260 mm to reduce power consumption in the Potline, saving ₹ 1.3 Cr/annum.
- 100% Automation of Proximate analysis for coal through seamless integration with SAP, ensuring governance control & eliminating manual intervention.
- Equipped with advanced testing facility - Cold PODFA (1<sup>st</sup> & only Company in INDIA ), Fracture Test & Process Improvements including Four rotor degasser & Argon gas usage aiding in Four-Wheeler Homologation.

d. Power Operations

- Highest-ever power generation – 12,027 MU in FY25, previous best was 11,931 MU in FY20.
- Highest-ever PLF of IPP 600 MW units 76.7% previous best was 71% FY20.
- Highest availability of 1,200 MW plant 93% in last 5 years.
- Highest Coal receipt in FY25 8.9MnT (Last best 8.05 MnT in FY24).
- Lowest-ever forced outage of CPP 600 Units 0.71% in FY25 Previous best was 1.2 % FY19.
- Lowest-ever Specific oil consumption in 1200 MW units 0.14 ml/KWh in FY25 previous best was 0.16 in FY21.
- CPP 1140 MW specific coal consumption (SCC) 694 grm/KWh lowest in past 4 years.
- 1200 MW specific coal consumption (SCC) 679 grm/KWh lowest in past 4 years.
- Zero boiler outage in CPP 600 MW units in FY25.

e. Reliability & Debottlenecking:

- 2<sup>nd</sup> Grid connectivity National Thermal Power Corporation (NTPC) Birsingpur LILO (Line in Line Out) & new Gas insulated switchyard (GIS) commissioned in Jan'25 for redundancy in power sourcing to smelter units.

- Unit loading factor improvement after Unit#3 and Unit#4 1200 MW Overhauling and mill reliability improvement.
- Unit#2 540 MW unit R&M to debottleneck unit low loading factor and low efficiency.
- Captive Renewable power flow started from Oct'24 & 176.8 MU Renewable energy received in FY25.
- Ash utilization through sustainable avenue cement industry and zero legacy ash with utilization 131% in FY25.
- Geofencing and GPS (Global Positioning System) technology implemented for Ash transportation monitoring for 100% transport vehicles.
- Elimination of heavy furnace oil firing as a secondary fuel in power plant.
- First time Booking & Materialization of Shakti Coal.
- BALCO's owned GPWIS BOBRN rake has been received in Q1FY25.
- Installation and commissioning of water treatment RO (Reverse Osmosis) plant to treat cooling tower blowdown and recycling of 4000 m<sup>3</sup>/day water.

(B) EXPORTS

During FY25, Aluminium exports amounted to 46,864 MT, generating a revenue of ₹ 989.70 Cr., which includes export incentive of ₹ 17.98 Cr.

(C) CONTRIBUTION TO GOVERNMENT EX-CHEQUER

During FY25, the Company contributed ₹ 5,863 Cr. to State and Central Government treasury, compared to ₹ 4,634 Cr. in FY24.

(D) TRANSFER TO RESERVE

The Company has transferred ₹ Nil to General Reserves for the financial year ended on 31<sup>st</sup> March 2025. An amount of ₹ 11,935 Cr is retained in the retained earnings.

(E) DIVIDEND

Your Directors wish to conserve resources for future expansion and growth of the Company. Therefore, the Board

of Directors has decided that it would be prudent, not to recommend any dividend for the financial year under review.

(F) CREDIT RATING

As on 31<sup>st</sup> March 2025, your Company's credit rating is AA/ Stable (pronounced as Crisil double A Stable) for the long-term borrowing, as rated by CRISIL Ratings Limited. Details of the credit rating are available at: <https://www.balcoindia.com/>

(G) HEALTH, SAFETY & ENVIRONMENT

In line with the principle of sustainable development, the Company continues to focus on Health, Safety & Environment as key focus areas of business. The Company holds certifications from IRQS for IATF 16949:2016, ISO 9001:2015, ISO 14001: 2015, ISO 45001: 2018 and ISO 50001:2018.

I. The Key highlights for the Financial Year 2024-25 are as under:

a. Safety

- BALCO sustained the Suraksha Sankalp gate meeting for 36 uninterrupted months, reinforcing our commitment to safety.
- BALCO conducted Suraksha Chaupal at 100 locations, engaging employees in safety discussions.
- BALCO launched "Samvedana 2.0, 3.0 & 4.0," focusing on employees who courageously navigated safety incidents, with 60 participants.
- In FY25, 3,096 Safety Stand Downs were conducted to share internal and group-level incident learnings.
- BALCO conducted Hazard and Operability (HAZOP) & Layer of Protection Analysis (LOPA) studies for existing operations and growth projects, ensuring comprehensive risk assessments.
- A total of 8,286 observations were identified in FY 25, through AI and CCTV monitoring, aimed at correcting unsafe behaviours and identifying hazardous conditions, thereby significantly enhancing workplace safety.
- In FY25, BALCO recorded an increase of 58.6% in hazard reporting and 90.5% increase near-miss incident reporting, highlighting our proactive approach to safety.



- In FY25, BALCO completed 19,976 Critical Risk Management (CRM) verifications for high-risk activities, achieving 100% closure of action plans, ensuring thorough risk management.
- In FY25, BALCO achieved approximately 90% compliance in Visible Felt Leadership and SI/CRM by Senior Management and BP Managers, with 46,569 instances recorded.
- BALCO Partnered with Dupont to build a strong safety culture, provide leadership coaching, and drive initiatives through various committees.
- In FY25, BALCO renewed the factory license for the 270 MW Metal & Power division for two years, marking a historic first, as previously, the license was renewed annually.
- In FY25, 96 line of fire activities were identified reducing potential hazards.
- BALCO launched a new app to manage and track safety consequences, improving accountability.
- In FY25, a safety audit was completed as per IS:14489, reinforcing our commitment to safety standards.
- BALCO celebrated Fire Service Week with the theme "Ensure Fire Safety to Contribute Towards Nation Building." 120 fire-prone areas were identified, and trainings were provided to over 1,000 employees and school children through on-the-spot sessions and Nukkad Natak performances.

Road Safety

- At BALCO, a total of 171 Light Motor Vehicles (LMV) and 14 Heavy Motor Vehicles (HMV), including passenger and pickup vehicles, are now equipped with GPS systems out of 191 vehicles.
- In FY25, LMV Simulators were procured for the skill evaluation of LMV drivers.
- In FY25, ADAS/DMS cameras have been installed in BP vehicles in the Potline area.
- At BALCO, a vehicle authorization portal was developed and implemented for all internal vehicles, with 876 commercial vehicles registered.
- A one-day vehicle pass was launched at BALCO in FY25, along with Road Safety Do's and Don'ts, to strengthen road safety measures

b. Environment

- In FY25, BALCO achieved 100% detoxification and recycling of SPL-Carbon.
- BALCO initiated co-processing of SPL-Refractory in Cement Plant as a step towards sustainable hazardous waste management.
- BALCO signed MOU with Pithampur Industrial Waste Management Pvt Ltd for disposal of Hazardous Waste in Common TSDF (Treatment Storage Disposal Facility). In FY25, Hazardous Wastes namely Flue gas dust, Glasswool and Asbestos were disposed to TSDF for the first time.
- BALCO implemented Air Blow Off Station at Carbon (Rodding Plant) as an initiative towards reduction of generation of Hazardous waste (Flue Gas Dust). This initiative while reducing 25%-30% Shot Blast Dust generation resulted in higher bath recovery.
- Installation of GPS in 100% of the ash transport vehicles and real time monitoring of ash movement through Ash Control Tower—first of its kind in the state to monitor and prevent unauthorized ash dumping.
- Dam Safety inspection & Dam-break assessment studies conducted by M/s. Geotheta, an external expert to ensure ash dyke stability.
- BALCO initiated installation of Solar camera at ash dyke for digital see page monitoring.
- Zero Liquid Discharge (ZLD) facility at BALCO with an investment of around ₹ 76 Cr through ETP augmentation at Power Plant of total 400 m³/hr capacity (200 m³/hr capacity enhancement in CHP and 200m³/hr ETP with Reverse Osmosis facility for treatment of CT Blowdown).
- 100% graphitization of cathode lining in Smelter completed, thus reassuring our commitment toward Net Zero Carbon in FY25.
- 47 pots relined with Copper Onsert resulting energy saving of 300 KWH/MT in FY25.
- Implemented Wheel Wash System at plant entry and exit gates and Wind barrier along-side the track hopper to improve air quality.
- BALCO installed 50 fixed type water-sprinklers at Dyke 2, 3,4 to control fugitive emissions.

- Online Noise meter installed at 1200 MW Cooling tower to continuously monitor noise level on real time basis.
- 51,523 saplings have been planted in FY25 including BALCO (48,023 saplings) & Chotia mines (3,500 saplings).

c. Sustainability & ESG

- Vedanta Aluminium has scored 77 in the S&P Global Corporate Sustainability Assessment Ranking 2024 and is among the world's top 2 most sustainable aluminium producers.
- The VSAP External Assessment for FY25 was conducted, covering 12 modules. A score of 72 was achieved, with improvements noted in 8 of the modules.
- In FY25, VSAP Internal field audit at the Metal & Power area was conducted which identified over 1,000 observations.
- A total of 7 ESG A-Class projects were initiated, while 5 Projects have been completed. Additionally, 2 new projects, PME Portal and 3-Point Contact Staircase have been introduced.
- In FY25, a total of 28 rainwater-harvesting structures created (farm ponds, lining ponds, and community ponds) with a volume of 13,510 m³.
- In FY25, Technical Fleet Optimization System was implemented, reducing the requirement of five forklifts (saving 1,500 Liters of diesel consumption per month).
- In FY25, GPS tracking devices were installed on 100% of ash movement vehicles, with real-time monitoring being done through the Ash Control Tower, in a first-of-its-kind endeavour.
- In FY25, One solar camera installed at the BALCO ash dyke as a proof-of-concept for digital seepage monitoring.
- BALCO onboarded its first on-roll LGBTQ+ employee in FY25.
- BALCO has emerged on top for the third consecutive time in the Vedanta Run for Zero Hunger, with enough steps counted for 1.5 million meals in FY25.
- 51,000+ saplings have been planted in the FY25, including at BALCO and mines.

- In FY25, BALCO increased the percentage of rail-mix in alumina and coal logistics, with three BOBRN rakes under the General-Purpose Wagon Investment Scheme (GPWIS) inducted to reduce Scope-3 emissions.
- In FY25, "Awa Fali Lagawa" initiative was started to help the local farming community expand from paddy cultivation to cash crops like peanuts.
- In FY25, Two Livestock Development Centres (LDCs) were established, with the first artificial insemination successfully carried out for cattle breed improvement.
- 5,800 women benefited from various female empowerment projects, and 1,104 youth upskilled in the FY25.
- In FY25, Hospital Information Management System introduced at BALCO Hospital, featuring a completely paperless system

d. Occupational Health

- 100% Compliance with PME Regulations for BALCO in FY25, ensuring complete transparency and adherence to regulatory standards for a total of 11,000 BALCO and Business Partner employees, as well as 19,000 project employees.
- In FY25, out of the 18 identified red zones, 17 have been decisively closed and successfully transformed into green zones, enhancing safety, improving health standards, and restoring environmental integrity across the plant.
- In BALCO Medical counselling was successfully completed for 3,500 uncontrolled case employees, with 850 declared fit to resume work through the Care Wing Initiative.
- BALCO launched the Mental Health Program "Your Dost" to promote mental well-being and support.
- In FY25, 2 new Advanced Life Support ambulances were deployed at the BALCO Plant to enhance emergency medical response.
- A Bone Mineral Density Test Camp was conducted at BALCO for all the employees, with a special focus on Pot-room employees, to evaluate the impact of fluoride. The camp covered 350 employees.



- Industrial hygiene assessments at the BALCO plant, conducted by Arvind Industrial Hygiene, included various surveys and analyses such as Illumination Survey, Noise Survey, Electromagnetic Field (EMF) Measurement, Dust Monitoring, Air Emission Analysis, Whole Body Vibration, Hand-Arm Vibration, and Chemical Analysis.
- In FY25, an ergonomics survey was conducted at BALCO. These efforts aim to improve workplace conditions and provide tangible benefits to employees.
- In FY25, BALCO conducted 50 Urine Phenol Sampling for Coal Tar Pitch Area and 350 urine fluoride samples, this initiative marks a significant milestone in our commitment to health and safety monitoring across our operations.
- BALCO served as a member of the Medical Health Advisory Board, specializing in managing critical cases. Supported job rotation initiatives and played a key role in promoting a safe and healthy workplace environment.

HSE&S Trainings

- Trainings were conducted on ISO 45001 (Occupational Health and Safety), ISO 14001 (Environment Management), ISO 50001 (Energy Management), and ISO 9001 (Quality Management System) at BALCO in FY25.
- Certified First Aid and CPR training was conducted by St John Ambulances (Indian Red Cross Society) for over 210 employees.
- BALCO provided Occupational Health Awareness training to 2,500 employees, covering key health topics such as heat stress, ergonomics, computer vision syndrome, HIV/AIDS, diabetes, cancer, hepatitis, and lung cancer. An occupational health calendar was prepared, and health-related activities and programs were organized in every SBU.
- In FY25, BALCO covered 490 (95%) employees under the "Suraksha Prahari" Safety Training program for engineers and frontline supervisors.
- A new initiative has been introduced to provide Basic CPR and Emergency Response Training, as part of the onboarding process for all new employees in FY25.

Awards won in area of Safety, Health and Environment include:

- BALCO was rated 4 stars in the British Safety Council's Five Star Safety Audit 2024, reflecting its commitment to maintaining high safety standards.
- Vedanta Aluminium achieved AI Rank II in the Dow Jones Sustainability Index (DJSI) Global ESG rankings, showcasing its strong performance in sustainability.
- BALCO emerged as the Runner-up for the Q2 FY25 Chairman Sustainability Award, highlighting its ongoing efforts in sustainable practices.
- BALCO won the Gold Award in the Manufacturing and Engineering Sector at the 6<sup>th</sup> ICC National Occupational Health and Safety Awards held in Kolkata, recognizing its excellence in health and safety.
- BALCO received the ISEI Excellence Award 2024 for Safety, acknowledging its outstanding safety measures.
- BALCO was awarded the 17<sup>th</sup> EXCEED Occupational Health, Safety & Security Gold Award, further emphasizing its dedication to occupational health and safety.

(H) INFORMATION TECHNOLOGY, DIGITALIZATION & COMMUNICATION:

Digitalization has become a driving force at BALCO, enabling our business to optimize operations, improve productivity, and gain a competitive edge. By embracing digital technologies and integrating them into plant processes, we can unlock new levels of efficiency, connectivity, and data-driven decision-making. The innovation & diffusion of new technology is indispensable for the growth of an enterprise. IT systems & processes are aligned to business operations ensuring the confidentiality, integrity & availability of the data/information. Following are the achievements for this quarter:

I. Ash Control Tower

As BALCO advances its logistics operations towards digitalization with initiatives like the Coal Control Tower and Finished Goods Tower, we proudly unveil the Ash Control Tower (ACT). This innovative solution transforms ash disposal management at BALCO, offering real-time monitoring, compliance management, and advanced

safety features. ACT guarantees operational efficiency and upholds environmental responsibility.

Benefits/Features:

- Environmental & Legal Compliance: ACT is established to monitor and ensure strict adherence to ash disposal guidelines and regulations. It plays a vital role in ensuring environmental responsibility & providing visual insights into compliance metrics, ensuring a sustainable operation.
- Real-Time Monitoring: The ACT facilitates real-time monitoring of ash disposal activities, ensuring immediate visibility into operations. Additionally, its geofencing functionality detects route deviations, unauthorized halting, and potential sensor manipulation by suspected drivers, enhancing operational oversight and security measures
- Enhancing Operational Efficiency: It streamlines the ash disposal process flow (Parking-Tare- Loading-Gross-Unloading), allowing the Ash team to manage the fleet effectively and enhance operational efficiency. Furthermore, it enables the Security team to monitor HMV traffic and trucks parked in the parking lot.
- Cost Savings: Establishing the ACT mitigates the risk of penalties due to environmental non-compliance and safeguards our organizational reputation, leading to tangible savings of \$0.07 million annually.
- Surveillance through AI-based Video Telematics: This feature equips the ACT with AI-based video monitoring capabilities and a two-way communication system, enabling the Security team to gather evidence on unauthorized dumping incidents. The live video feeds from the Patrolling squad enhance surveillance and ensure prompt action against environmental violations.
- Improved Safety: Implemented alert systems through lot sensors to identify safety deviations such as over-speeding, reducing the probability of accidents and environmental risks, thereby enhancing safety within the plant premises and on BALCO's peripheral road.
- Historical Data Analytics: It leverages data analytics to identify trends, patterns, and potential risks associated with ash disposal, enabling proactive decision-making. Furthermore, the visual dashboards of the Transporter Scorecard, Trips Undertaken, and Quantity of Ash Disposed by transporters enable the evaluation of performance metrics, ensuring accountability and fostering operational excellence.

II. Technical Fleet Optimization System with Saving Potential 0.854 Mn\$

As BALCO accelerates its digital transformation in logistics operations, we are excited to introduce our latest breakthrough: the Fleet Management System (FMS). This state-of-the-art solution revolutionizes internal plant logistics, giving plant managers unparalleled control over fleet performance. With real-time monitoring, optimized vehicle utilization, and advanced safety alerts, FMS drives operational efficiency and upholds the highest safety standards, ushering in a new era of excellence in plant management.

Features:

- Fleet Operations Optimization: The Fleet Management System optimizes internal fleet operations, ensuring effective allocation and use of technical vehicles to fulfill operational requirements.
- Real-Time Tracking & Monitoring: Offers instant visibility into fleet activities, allowing supervisors to monitor vehicle movements, statuses, and real-time performance as trips are created based on operational needs.
- Vehicle Utilization Management: Manages trip schedules and maintenance tasks to ensure the maximum efficiency of plant vehicles, increasing productivity and prolonging asset lifespan.
- Safety Monitoring & Alerts: Equipped with safety features like over speeding alerts, harsh braking detection, rapid acceleration monitoring, long idling alerts, ignition status, and GPS diagnostics for complete safety compliance.
- Performance Analytics & Reporting: Provides detailed analytics on fleet performance, including vehicle utilization rates, engine running hours, and other essential metrics for better operational insight.

Benefit:

- Fleet Operations Efficiency: Streamlines fleet operations within plant locations, ensuring optimal use of technical vehicles and resources to meet operational demands.
- Increased Vehicle Utilization: Enhances vehicle productivity by effectively managing trip schedules and maintenance, thereby maximizing output and extending fleet lifespan.
- Improved Safety and Compliance: Promotes adherence to safety standards by monitoring key metrics such as



over speeding, harsh braking, rapid acceleration, and idle time, thus safeguarding personnel and assets.

- Data-Driven Insights: Empowers supervisors with valuable fleet performance insights, helping in informed decision-making and promoting continuous improvement initiatives.
- Cost Efficiency: Reduces fleet size requirements through efficient vehicle utilization, resulting in significant cost savings of \$0.845 Million annually.
- Reduction of 48 TCO<sub>2</sub>e GHG emissions annually.

III. Go Live : BALCO Digitalizes Verification, Validation & Payment of Deviation Settlement Mechanism (DSM) :

With BALCO's registration as two separate entities under WRLDC-BALCO CPP Generator for export and BALCO Bulk Consumer for import-the need for efficient handling of energy schedules and transactions became paramount. This included generating separate DSM accounts for both entities and an internal model for calculating the DSM amount, verifying, and validating the bills issued by the WRPC to ensure timely payments and 100% statutory compliance.

This system introduces a streamlined and automated process for real-time management of energy schedules, ensuring accuracy and compliance while reducing manual effort and errors.

Benefits/Features:

- Automated Billing: Accurate generation & verification of weekly DSM bills, aligned with WRPC & marked data.
- Regulatory Compliance: Ensures adherence to CERC DSM rules with secure data management.
- Streamlined Approval: An efficient 2-level approval flow of the weekly bills for payment processing to meet statutory deadlines.
- Integrated Data: Auto-fetch energy and market data from WRLDC portals and meters for precise cost analysis.
- Real Time Monitoring: Live tracking of power export and import schedules and actuals, energy meter data, and net payable and receivable amounts to optimize load balancing and minimize DSM charges.
- Intuitive Dashboard: A user-friendly interface for tracking DSM trends, discrepancies, and performance.

IV. Go-Live : Digitalization of Related Party Transaction (RPT) along with SAP Integration for Finance:

The current process for managing related party transactions was less efficient, prone to errors, and lacked

comprehensive documentation. Manual entries and decentralized management lead to significant time loss and potential misalignment. An integrated, automated system was required to ensure accuracy, efficiency and centralized control.

Features:

- Automated Entries: Saving over 2,000+ man-hours per annum. All request raised, allocated and approved are now via portal.
- Centralized Management: Centralized point of contact will improve tracking and management of transactions across departments.
- 100% Coverage and Oversight: 100% coverage of RPT transaction will be ensured, reducing the risk of governance lapses.
- Improved Documentation and Reporting: Process will automatically fetch document numbers and maintain backup documents.
- SAP Integration: RPT portal will be integrated with SAP resulting in automation of all admins manual entries.

Benefit:

- Comprehensive Coverage: Ensures 100% coverage of related party transactions.
- Automation: Automates manual entries, reducing errors and saving time.
- Centralized Management: Provides a single point of contact for all related party transactions.
- Manhours Savings: Saves approximately 2000 man-hours per annum.
- Alignment and Confirmation: Ensures alignment and confirmation of related party transactions before the closure of books.
- Documentation: Provides documented evidence and backup for all related party transactions.

Transactions are aligned before book closure, generating final reports with document number references. These reports are used for reporting and disclosure to the Board and Corporate, enhancing transparency and accountability.

V. AI & ML based solution for Anode Baking Furnace (ABF) - Fluewall Health & Defect Monitoring for enhanced efficiency

To develop Intelligent Automated Inspection System to measure, analyse the different defects of ABF fluewall refractory and eliminate the human error during manual measurement to improve the efficiency, increase refractory

life, reduction of anode oxidation, improve anode quality, elimination the risk of refractory failure, improve safety.

Manual Inspection of ABF fluewall refractory condition on perception basis. During continuous operation ABF fluewall refractory get corroded, bend, crack, pinched, bulged and bricks got damage due to thermal shock, acid attack, thermomechanical load. There is no system, or equipment is available to measure these refractory defects. In present refractory condition is measured by checklist and visual inspection.

Features:

Automated Blending Deviation Measurement:

- Measures bending deviations with millimeter accuracy.
- Identifies areas of maximum bending and detects top block misalignment.
- Generates deviation plots on-site within seconds.

Benefit:

- Inspects and measures hard-to-access faults within pits with millimeter precision at the click of a button.
- A patented AI-driven rover navigates pits intelligently, using LiDAR and high-resolution color cameras to capture a 360-degree, well-lit, view for defect analysis.
- Instantly generates reports on cracks, bulges, pinching, and choking while tracking refractory wall deterioration over time.
- Cloud-based software enables inspection management and analysis across multiple furnaces.
- An advanced AI-powered camera system, capable of withstanding temperatures above 100°C, detects defects in tie bricks, baffle walls and fluewalls.
- Live camera feeds can be viewed via an android app, allowing real-time refractory scanning and defect tracking.

(I) HUMAN RESOURCES, TRAINING AND DEVELOPMENT

Your Company believes that employee quality is crucial to its success. It is committed to offering human resource development and training opportunities to equip employees with the skills needed to adapt to modern technological advancements.

In FY25, total 13,684 training man-days were covered in comprehensive training interventions. Overall training man days compliance for executives was 100% and that for

workmen was 100%. Total of 15 Behavioral, 98 Technical, 39 Functional, 27 Safety, 6 Quality & 3 Mandatory trainings were conducted throughout the financial year.

The trainings were curated to empower employees with technical knowledge, behavioural skills, and safety practices. Focus was skill upliftment. Training Programs such as 3-days behavioural workshop, First-aid training , CRM Modules training, analytics training, etc were conducted successfully in large scale. The aim remains to foster continuous learning and professional growth, empowering employees to adapt seamlessly to dynamic industry requirements through both internal & external training sessions.

As a responsible entity we provide a plethora of safety & sustainability training as per our commitment to Zero Harm & environment protection. Special attention was given on ensuring seamless fusion of new joiners in the organization. Training such as Campus to Corporate, Outbound Learning Activity, Basic CPR & Emergency response, etc. were conducted for them.

Mandatory training courses like Code of Conduct, POSH, Human Rights were conducted throughout the year for all the employees.

(J) INDUSTRY OUTLOOK

Global Trade Scenario:

As expected, headwinds persist against world aluminum demand amid structural issues in China, subdued end-user demand in Rest Of the World (ROW), still elevated interest rates, and trade policy uncertainty. Even though end-user demand is set to transition in 2025 from contraction to expansion mode, conditions have remained sluggish at the start of the year. China's stimulus measures have yet to deliver a meaningful boost to demand, with the construction sector still contracting and dragging down demand despite a resilient auto sector.

In the ROW, consumers remain pressured by inflation and elevated interest rates, limiting demand for aluminum-intensive goods. Meanwhile, world manufacturing activity remains stalled as export orders remain in contraction, given the likelihood of trade frictions and higher US tariffs. Indeed, ROW's auto sector demand continues to lose momentum, with North American auto production expected to decline in 2025 amid high inventories, while European production continues to contract amid weaker sales and tariff-related uncertainty. China remains the only major automotive market with modest growth, supported by government subsidies such as scrappage incentives, although export demand is slowing.

World primary aluminum demand growth to slow to 1.5% in 2025 from 2.0% in 2024, due to China's deceleration to 1.4%



(from 3.6% in 2024), while ROW’s demand is projected to rise 1.8% in 2025 following a contraction in 2024.

World primary production will gain momentum throughout 2025 and 2026, rising by 1.9% and 2.3%, respectively. We expect ROW's production growth rates of 2.1% in 2025 and 4.4% in 2026.

Domestic Market Scenario:

India’s GDP growth was moderate in FY25 at 6.4%; however Reserve Bank of India has projected slight improvement in growth in FY26 at 6.7%. Budget for FY26 delivered steady capex investments, fiscal consolidation and consumption boost all adding to a major stimulus for aluminium growth in the country. India’s manufacturing PMI surged to a six-month high of 57.7 in January, up from 56.4 in December, supported by improving domestic and export demand.

India’s transportation sector expected to rebound in FY26, fuelled by rising consumer confidence and demand. Moreover, to make electric vehicles (EVs) more affordable, the Indian government announced the removal of customs duties on 35 key capital goods needed for EV battery production in the 2025 Union Budget. This policy is expected to lower production costs for EVs, making them more accessible to consumers and further boosting demand for electric vehicles. India’s real estate sector is expected to maintain its growth trajectory, supported by strong consumer confidence and ongoing infrastructure development.

India’s primary aluminium demand is expected to grow by 9.7% in Calender Year 2025, one of the fastest amongst the world supported majorly by the packaging and electrical segments. On the contrary, primary production to grow by 5% in CY25 majorly through the expansion in BALCO.

Price Drivers: LME and Regional Premiums:

LME price in CY24 averaged at \$2,419/ton as demand recovered in H2CY24 and due to surge in alumina prices. Regional premiums also rebounded in H2CY24 especially Asian and American premiums as interest rates were slashed in US and EU and China introduced new stimulus package all contributing to a bullish sentiment in the market. However, the beginning of CY25 has all been about the new tariffs introduced by Mr.Trump, President of United States, under Section 232 of Trade Expansion Act, 1962 and this has given a new direction to market premiums and LME. LME moved to levels of \$2700/ton driven by short-term demand surge before the tariffs became effective and a backwardation structure between LME and LME 3-M suggesting an non-stable level for LME in Q1CY25.

USMW premiums have increased to absorb the additional duty imposed by US; however Asian and European premiums have declined since the start of CY25 as excess supply is expected to these regions on basis of change in

trade flows. Premiums are expected to stabilise in Apr’25 and expected to remain still for the rest of the year.

LME prices are expected to average around \$2500/ton in CY25 and increase to \$2600/ton in CY26 as world demand growth will catch momentum. China’s weak demand and plunging alumina prices are also likely to put a downward pressure on LME prices as production restarts are expected by the end of Apr’25.

Product and Customer:

BALCO’s integrated smelter in India is expected to add smelting capacity in FY26 taking its installed capacity from 0.58MnT to 1MnT. The new capacity addition comes at a crucial time as India’s aluminium consumption is seeing stellar demand growth.

BALCO’s product range includes Aluminium Ingots, Primary Foundry Alloys, Wire Rods, Alloy Rods, AlSi T-Ingot and Rolled Products. BALCO is also adding casting capacity in most of its Value-Added products including Billet, Primary Foundry Alloy and Rolled Products. This allows it to bolster its position in the automotive, packaging and building and construction industry in India which are the key pillars for the economy in the next decade. Also, it will be able to cater to new segments such as electric vehicles, solar and renewable energy sector through the new casting capacity.

For this financial year, 91% of the Company’s total sales were to the Indian markets, specifically for use in the electrical, automotive, and transportation industries. About 63% of this domestic sale comprised of Value-Added Product portfolio of BALCO. The Company sold an overall of 57% of its total sales as Value-Added Product in FY24.

(K) DIRECTORATE & KEY MANAGERIAL PERSONNEL

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.

I. Changes in Directors and KMP

a. Appointments & Cessations:

During FY 2024-25, basis the recommendation of the Nomination & Remuneration Committee and the Board:

- took note of appointment of Mr. Maneesh Kumar (DIN-10724088) as Government Nominee Director w.e.f. 30<sup>th</sup> July 2024, in place of Mr. Vivek Kumar Sharma (DIN-10101407) following his resignation from the office;

- took note of appointment of Mr. Mustaq Ahmad (DIN-08630622) as Government Nominee Director w.e.f. 29<sup>th</sup> July 2024 in place of Mr. Sanjeev Verma (DIN-08836996) following his resignation from the office.

b. Re-appointments:

Pursuant to the recommendation of the Nomination & Remuneration Committee and consideration by the Board, the Shareholders approved the below re-appointments during the year:

- Mr. Dindayal Jalan (DIN-00006882), Independent Director for a second and final term of two (2) years, effective from 30<sup>th</sup> July 2023 to 29<sup>th</sup> July 2025.
- Mr. Anoop Kumar Mittal (DIN-05177010), Independent Director for a second and final term of two (2) years, effective from 19<sup>th</sup> October 2023 to 18<sup>th</sup> October 2025.
- Mr. S. K. Roongta (DIN-00309302), Independent Director & Chairman for the second and final term of two (2) years, effective from 14<sup>th</sup> July 2024 to 13<sup>th</sup> July 2026.

II. Directors liable to retiring by rotation.

As per the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Farida M. Naik (DIN-07612050), Nominee 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 attached herewith as “Annexure-D” and is also available on the Company’s website at: [Nomination and Remuneration Policy](#).

III. Key Managerial Personnel

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”).

Mr. Rajesh Kumar	Chief Executive Officer & Whole Time Director
Mr. Amit Gupta	Chief Financial Officer
Ms. Wageesha Agarwal	Company Secretary

IV. Declaration by Independent Directors:

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

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

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

Mr. Sushil Kumar Roongta	Chairman & Independent Director
Mr. Dindayal Jalan	Independent Director
Mr. Anoop Kumar Mittal	Independent Director

V. Independent Directors Meeting

As per Schedule IV of the Companies Act, 2013 read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management. During FY 2024-25, the Independent Directors met without the presence of management 31<sup>st</sup> March 2025. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Additionally, the Independent Directors also met separately with the Statutory Auditors once a year to discuss matters such as key accounting issues, audit plans and to invite their overall feedback.

VI. Familiarisation Program for Board Members

Your Company has a structured programme for the new Board members so as to enable them to understand the nature of the industry in which the Company operates, its management and its operations. They are also familiarised with Company’s organisational and governance structure, governance philosophy/principles, code of conduct & key policies, Board’s way of working & procedures, formal



information sharing protocol between the Board and the management, Directors’ roles and responsibilities and disclosure obligations.

Senior management regularly updates the Board on the Company’s operations, strategies, risks, and new initiatives, actively seeking their feedback. Directors are consistently informed about key Company policies through comprehensive briefings and updates. Statutory Auditors, Internal Auditors, and Senior Management brief the Board on any regulatory changes, ensuring that the Board is fully aware of the latest compliance requirements and industry standards. These updates help the Board make informed decisions and maintain effective oversight of the Company’s activities.

VII. Number of Meetings of the Board

The Board met Four (4) times during the financial year 2024-25 on 19<sup>th</sup> April 2024, 05<sup>th</sup> August 2024, 18<sup>th</sup> October 2024, and 22<sup>nd</sup> January 2025. The maximum interval between any two meetings did not exceed 120 days. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this report.

(L) DIRECTOR RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors hereby confirm to the “Directors’ Responsibility Statement” and to the best of their knowledge and ability, hereby confirm that: -

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, i.e., 31<sup>st</sup> March 2025 and of the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal

financial controls are adequate and were operating effectively; and

- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(M) COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Pursuant to the provisions of Section 118 of the Act, during FY 2024-25, the Company has adhered with the applicable provisions of the Secretarial Standards (“SS-1 and SS-2”) relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’ issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(N) INTERNAL FINANCIAL CONTROLS

Internal financial control over financial reporting have been designed to provide reasonable assurance with regards to recording and providing reliable financial information and complying with applicable accounting standards. These controls are reviewed periodically, and the Company continuously tries to automate these controls to increase its reliability. In line with best practices, the Audit Committee and the Board review these internal control systems to ensure they remain effective and are achieving their intended purpose.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an internal audit framework, an ethics framework, a risk management framework, and adequate segregation of duties to ensure an acceptable level of risk. Documented controls are in place for business processes and IT general controls. Key controls are tested by entities to assure that these are operating effectively. Besides, the Company has also adopted an SAP GRC (Governance, Risk and Compliance) framework to strengthen the internal control and segregation of duties/access.

The Company has documented Standard Operating Procedures (SOP) for procurement, project/ expansion management, capital expenditure, human resources, sales and marketing, finance, treasury, compliance, health, safety and environment, and manufacturing.

The Group’s internal audit activity is managed through the Management Assurance Services (MAS) function. It is an important element of the overall process by which the Audit Committee and the Board obtain assurance of the effectiveness of relevant internal controls. The scope of work, authority and resources of MAS are regularly reviewed

by the Audit Committee. Besides, its work is supported by the services of leading international accountancy firms.

The Company has a well-defined and documented delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company has workflows to ensure adherence to the delegation of authority. The Company has a commercial manual that lays down certain principles and procedures that are to be followed in commercial & purchase contracts transactions across the Company. The SSC verifies compliance to the commercial manual before clearing the payments.

The Company’s system of internal audit includes monthly physical verification of inventory, a monthly review of accounts and a quarterly review of critical business processes. To enhance internal controls, the internal audit follows a stringent grading mechanism, focussing on the implementation of recommendations of internal auditors. The internal auditors make periodic presentations on audit observations, including the status of follow-up to the Audit Committee.

In addition, as part of their role, the Board and its Committees routinely monitor the Company’s material business risks. Due to the limitations inherent in any risk management system, the process for identifying, evaluating, and managing the material business risks is designed to manage, rather than eliminate risk. Besides, it was created to provide reasonable, but not absolute assurance against material misstatement or loss.

Your Company has in place adequate internal financial controls with reference to the financial statements. Such controls have been assessed during the year taking into consideration the essential components of internal controls stated in the “Guidance Note on Audit of Internal Financial Controls Over Financial Reporting” issued by The Institute of Chartered Accountants of India.

Based on the information provided, nothing material has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company’s internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their objectives. Moreover, in the design and evaluation of the Company’s disclosure controls and procedures, the management was

required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures. Further, the Audit Committee annually evaluates the internal financial controls for ensuring that the Company has implemented robust systems/framework of internal financial controls viz. the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

(O) AUDITORS’ APPOINTMENT AND AUDITOR’S REPORT

I. STATUTORY AUDITOR

M/s. S.R. Batliboi & Co., LLP, Chartered Accountants (FRN-301300E), had been appointed as Statutory Auditors of the Company at the 55<sup>th</sup> Annual General Meeting (“AGM”) to hold office for a period of 5 (five) years to the conclusion of 60<sup>th</sup> AGM.

The Auditors have confirmed that they are not disqualified under section 141 of the Act from continuing as Auditors of the Company.

The observations made in the Auditor’s Report are dealt with separately in the notes to the Profit and Loss Account and the Balance Sheet. These are self-explanatory and do not call for any further comments. The Statutory Auditors were present at the 58<sup>th</sup> AGM of the Company held for FY24.

II. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Sanjay Grover & Associates, Practicing Company Secretaries (FRN: P2001DE052900), had been appointed by the Board to conduct the secretarial audit of the Company for FY 2024-25. The Company had received a certificate confirming their eligibility and consent to act as the Auditor.

The Secretarial Audit Report for FY 2024-25 in Form MR-3 is annexed as “Annexure-B” and confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and with no deviations or non-compliances.

III. COST AUDITOR

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s R J Goel & Co., Cost Accountants (FRN:00026), had been appointed as Cost Auditor of the Company to conduct the cost audit



for financial year 2024-25. The Company had received a certificate confirming their eligibility and consent to act as the Auditor.

The cost accounts and records of the Company are duly prepared and maintained by the Company as required under Section 148(1) of the Act pertaining to cost audit.

(P) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information required under Section 134 of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014, including a report on conservation of energy, technology absorption, foreign exchange earnings and outgo, is provided in "Annexure-A" attached hereto and form part of this report.

(Q) EMPLOYEE INFORMATION AND RELATED DISCLOSURES

The statement containing particulars of employees as required under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the registered office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

(R) CORPORATE GOVERNANCE

Your Company is dedicated to upholding the highest standards of Corporate Governance. A separate report on Corporate Governance, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is included in this annual report.

(S) ANNUAL RETURN

In terms of provisions of Section 92(3), 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended 31<sup>st</sup> March 2025 is placed on the website of the Company and can be accessed at Annual Return in Form MGT-7 is available on the Company's website, the web link for the same is <https://www.balcoindia.com/>

(T) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company maintains a zero-tolerance policy for workplace sexual harassment. In line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and its associated rules, the Company has implemented a comprehensive Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at Workplace. This policy aims to prevent and address complaints of sexual harassment. An Internal Committee has also been established to handle any such complaints received.

The Company is dedicated to ensuring a safe and supportive work environment for all employees and associates. Regular awareness sessions are conducted to educate employees about the Policy and the provisions of the Prevention of Sexual Harassment Act. This policy applies to all employees, including permanent, contractual, temporary, and trainees.

During FY25, no new complaints of sexual harassment were received while the two on-going complaints were thoroughly investigated following the prescribed procedures, and appropriate actions were taken to resolve them. Below is a summary of the sexual harassment complaints disposed during the year:

Number of cases pending as on the beginning of the financial year	02
Number of complaints filed during the year	Nil
Number of complaints disposed off during the year	02
Number of cases pending as on the end of the financial year	Nil

(U) RELATED PARTY TRANSACTION

All contracts or arrangements entered by the Company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All such contracts or arrangements have been approved by the Audit Committee, as applicable. There were no materially significant Related Party Transactions (RPTs) entered into by the Company with Promoters, Directors, Key Managerial Personnel, or other related parties which may have a potential conflict with the interest of the Company. Requisite prior approval of the Audit Committee of the Board of Directors was obtained for RPTs. All the transactions with the related parties entered into by the Company were in the ordinary course of business and at arm's length. Therefore, disclosure of RPTs in Form AOC-2

as per the provisions of Section 134(3)(h) and Section 188 of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014 is Not Applicable.

All RPTs are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPTs under the Companies Act, 2013, and Listing Regulations.

The details of the transactions with the related parties are provided in the accompanying financial statements. There were no related party transactions made during the year required to be disclosed in Form AOC-2.

(V) VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a robust Vigil Mechanism and a Whistle-blower policy in accordance with provisions of the Act. Your Company's Whistle Blower Policy encourages directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud, or any violation of the Code of Conduct, that could adversely impact Company's operations, business performance and/or reputation. It is your Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company.

As per the whistle-blower policy adopted by the Company, all complaints are reported to Director-Management Assurance who is independent of operating management and businesses. The same is also discussed in the Audit Committee meeting of Board members.

In line with global practices, dedicated email IDs and centralized database have been created to facilitate receipt of complaints. A 24\*7 whistle-blower hotline cum web-based portal is available to report genuine concerns. All employees and stakeholders can register their integrity related concerns either by calling on a toll-free number or by writing on the web-based portal that is managed by a third party. The hotline provides multiple local language options. After the investigation, established cases are brought to Group Ethics Committee for decision-making. Whistle Blower Policy is also posted on the website of the Company.

(W) BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees' and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process, and it covers various aspects of the Board functioning such as composition of the Board & Committees,

experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgement, governance issues etc. A structured questionnaire was circulated to the Board members in this connection.

As an outcome of the above exercise, it was noted that the Board is functioning as a cohesive body which is well engaged with different perspectives. The Board Members from different backgrounds bring about different complementarities that help Board discussions to be rich and value adding. It was also noted that the Committees are functioning well and besides the committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committee meetings.

Outcome of the evaluation exercise conducted for the financial year 2024-25:

1. Regular In-Person/Onsite every year to discuss strategy should be conducted.
2. Government nominee should also be placed in the Audit Committee.
3. The agenda items, and even the items of urgent importance should be discussed in pre-board meetings to have an appropriate understanding and adequate view of the members.
4. More involvement of Nomination & Remuneration Committee chair before senior level appointment proposals are brought to Committee.
5. Consider the NRC's suggestions beyond just the resignation and appointment of KMPs.
6. Strategy session on business and digital transformation, action on feedback given in the meeting should be adhered to.
7. Next level executives can make presentations to Committees/Board.
8. Project execution and strategy implementation are the areas where we can do better.

(X) DEPOSIT

During the year under review, your Company has not accepted any deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on 31<sup>st</sup> March 2025, there were no deposits that were unpaid or unclaimed and due for repayment.



(Y) LOANS AND INVESTMENT UNDER SECTION 186

Details of Loans, Guarantee and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to Financial Statements. The investments made by your Company are duly approved by the Board under the powers conferred to it under Section 179(3) of the Companies Act, 2013, and are within the limits laid down under Section 186 of the said Act.

(Z) COMMITTEES OF THE BOARD

Currently, there are three (3) Board Committees – the Audit Committee, the Nomination and Remuneration Committee, 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, the number of meetings held during the financial year and the related attendance are provided in Corporate Governance report which forms part of this report.

I. Audit Committee:

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 outlined in the Audit Committee Charter. Each member brings extensive experience and strong knowledge in accounting and financial management.

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

Mr. Dindayal Jalan	Chairman (Independent Director)
Mr. Sushil Kumar	Member (Independent Director)
Roongta	
Mr. Tarun Jain	Member (Non-Executive Director)

During the financial year ended 31<sup>st</sup> March 2025, 4 (four) Audit Committee Meetings were held on the following dates: 19<sup>th</sup> April 2024, 5<sup>th</sup> August 2024, 18<sup>th</sup> October 2024, and 22<sup>nd</sup> January 2025. The Board has accepted all recommendations made by the Audit Committee.

II. Nomination and Remuneration Committee:

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

As of March 31, 2025, the NRC consists of two Independent Directors and one Non-Executive Director, ensuring balanced and effective oversight of the Board's composition and performance. In accordance with the provisions of Section 134(3)(e) of the Companies Act, 2013, the Company has adopted the Nomination and Remuneration Policy.

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

Mr. Dindayal Jalan	Chairman (Independent Director)
Mr. Sushil Kumar	Member (Independent Director)
Roongta	
Mr. Tarun Jain	Member (Non-Executive Director)

During the financial year ended 31<sup>st</sup> March 2025, Nomination & Remuneration Committee met one (1) time i.e., on 18<sup>th</sup> April 2024.

III. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Board oversees and reviews the Company's CSR activities. In compliance with Section 135 of the Companies Act, 2013, the Company has duly constituted the CSR Committee. As of March 31, 2025, 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. Sushil Kumar	Chairman (Independent Director)
Roongta	
Mr. Anoop Kumar	Member (Independent Director)
Mittal	
Mr. Rajesh Kumar	Member (CEO and Whole Time Director)
Ms. Nirupama Kotru	Member (Government Nominee Director)

During the financial year ended 31<sup>st</sup> March 2025, CSR Committee met two (2) times on 18<sup>th</sup> April 2024 and 18<sup>th</sup> October 2024.

(AA) CORPORATE SOCIAL RESPONSIBILITY

Your Company's overarching commitment to create significant and sustainable societal value is manifest in its CSR initiatives that embrace the most disadvantaged sections of society, especially in rural India, through economic empowerment based on grassroots capacity building. CSR for BALCO is an integral part of its business strategy, which includes creating an organisation intended to maximise wealth of shareholders and establish productive and lasting relationship with all stakeholders, with an emphasis on fulfilling our responsibility towards the entire community and society.

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a CSR Committee which is chaired by Mr. S. K. Roongta, Independent Director. The other Members of the Committee for the year ending March 31, 2025, are Mr. Rajesh Kumar, Mr. A. K. Mittal and Ms. Nirupama Kotru.

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of Company in the area of CSR.

The Corporate Social Responsibility Policy is available on the website of the Company at: [Corporate Social Responsibility Policy](#).

Your Company is a caring corporate citizen and lays significant emphasis on development of the communities around which it operates. During FY25, the Company has spent ₹ 17.95 Cr. under Section 135 of the Act on CSR activities. The Annual Report on Corporate Social Responsibility (CSR) Activities for FY25 is enclosed to this Report at **"Annexure-C"**.

(AB) CORPORATE SOCIAL RESPONSIBILITY PROJECTS

BALCO CSR works towards a larger goal of creating enduring value for the communities. We undertake various community programs as part of our Corporate Social Responsibility (CSR). The Company has committed to align its CSR activities to the priorities of its neighborhood communities and the national priorities. CSR programs are spread across various thematic areas i.e., Education,

Sustainable Livelihoods, Health, Water & Sanitation, Women's Empowerment, Environment & Safety, Sports & Culture and Community Asset Creation including community development. This year a spent of ₹ 17.95 Cr. was made across various CSR programs. Our Initiatives reached out to 123 villages in 4 districts of Chhattisgarh touching the lives of 2.03 Lac people.

• EDUCATION

Connect

The project focuses on improving the learning environment in nearby government schools by creating an enabling environment with a focus on improving Student's Grades, providing them support through regular & remedial classes, co-curricular engagements, and career guidance. During the year the program extended its focus on 6<sup>th</sup> to 8<sup>th</sup> grades to enhance Foundational Literacy and Numeracy (6<sup>th</sup> to 8<sup>th</sup>) and need based classes for 9<sup>th</sup> to 12<sup>th</sup> grades in subjects like Science, English, Mathematics and Accountancy.

During the year, 2,550 students benefitted through regular and remedial classes in 6 Govt. schools & 3 Remedial centers for 6<sup>th</sup> – 12<sup>th</sup> class. Launched Hands-On Science & Maths experiment Kits & Study Material (21 Types of Workbooks) & to help 1200+ students refer beyond textbooks and assess their own progress in learning. National Education Day marked the First ever Book Festival for government schools, (650+ book titles & 3500+ participants) & held series of Reading Melas. Additionally, organized a Mega Science & Maths exhibition to promote activity-based learning, a Winter camp for board preparation and a series of Career Counselling sessions to guide students towards making informed academic and career-oriented decisions. 54 dropout students identified and re-enrolled in schools for open examination & skilling. Also, to build a more conducive environment of learning, capacity building training was organized for Govt. teachers on Teaching Pedagogy and practical based models.

Nand Ghar

An initiative undertaken by Vedanta under the Anil Agarwal Foundation, in collaboration with the Ministry of Women and Child Development (MoWCD), aims to improve pre-school education by imparting best-in-class curriculum through interactive learning BALA (Building as Learning Aid) paintings and digital learning. Thus, helping the children to develop their cognitive abilities by improving the level of pre-primary education. The state-of-the-art Anganwadi model, equipped with televisions for e-learning, safe drinking water, and clean toilets, has marked improvements in attendance, learning abilities, and school readiness among children.



During the year, 33 Nand Ghars spread over the district of Korba in Chhattisgarh benefitted 4,007 children & mothers. 800+ children availed pre-school education, i.e. Up to 60% increase in participation was observed at Nandghars with enhanced engagement & learning activities. Held series of capacity building workshops for Anganwadi workers & helpers on Early Childhood Care & Education (ECCE). Nandghars also became the epicentres for Maternal & Child health, conducted health screening to identify the status of Malnourishment, addressed 203 identified malnourished children addressed through PD Hearth sessions, THR trainings, meetings with parents etc. 54% children observed improvement in their health status. Created Kitchen Gardens for nutritious meal intakes, conducted health talks on seasonal diseases to enhance overall health environment & importance of nutrition. Promoted linkage with various government schemes and developed community ownership by leveraging government convergences & community contribution amounting to ₹ 1.79 Lacs.

● **SUSTAINABLE LIVELIHOODS**

**Mor Jal Mor Maati**

The project focuses on enhancing water security & efficiency through surface water management & irrigation facilities along with farm-based livelihood opportunities through advanced agricultural practices & mechanization. It also emphasizes livelihood diversification through livestock development, horticulture, crop diversification, etc. ensuring income generation round the year. The program is also institutionalizing farming practices by business model development of Farmer Producer Organization (FPO) - Korba Krushak Unnayan Producer Company Limited (KKUPCL) for Sustainable Business Development.

The project expanded its reach to 7,368 Farmers and cumulatively brought 790+ acres of land under secured irrigation, expanding reach from 32 to 40 villages. Farmers were supported in different activities like promotion of modern farming techniques, crop & livelihood diversification, water security and FPO development. Farmers were capacitated through training programs on modern cropping methods and provided with input support of seeds, manure, fencing, soil testing and periodic technical support in the field. As a result, 60% of farmers adopted modern agriculture techniques like Systematic rice intensification (SRI), Trellis & Organic farming, Climate resilient cropping etc. Project interventions helped farmers in getting 1.25-1.50 times increase in production hence led to an average increase in income by 50% and reduction in cost of cultivation by 25-30%. Climate resilient cropping like Groundnut, Black Gram and Scented rice introduced as innovation in the regional landscape to reduce the dependency of farmers on rainfall. Use of SIT (System of

Insect Traps) completely replaced chemical pesticides, ensuring eco-friendly farming.

Innovations at Vedanta Agriculture Resource Centre (VARC) range from Bee Farming Unit, 2 Hi-tech Nurseries to Exotic fruit plantations, effective outcomes to lead further replication in this topography.

Engaged 23% of the farmers in Livelihood Diversification activities like Lac Cultivation, Livestock development (Poultry, Goat rearing, Pisciculture) and Horticulture. Established 2 Livestock Development Centres (LDC's) providing farmers with free treatment & Medicine support, information on preventive health care practices, vaccination schedules, disease management and overall animal welfare benefitting over 1000+ farmers, 2500+ cattle. Emphasis given to breed improvement with 143 Artificial Insemination (AIs) and Animal health camps. Trained & supported 300 new farmers in the region for lac cultivation (Non-Timber Forest Produce) taking the total count to 800+ farmers, generating an additional income ~INR 50K each farmer. 250 Wadi (Fruit Orchards) is under development as a long-term sustainable livelihood generation plan on 125 acres of barren land.

28 water structures (25 farm pond, 2 lining ponds, 1 community pond) are created generating cumulative water storage capacity of 38,726 CuM. Supported over 160 Farmers with 70 micro irrigation systems and 47 lift irrigation systems enhancing water conservation, improving irrigation efficiency, and boosting agricultural productivity. Water conservation efforts over the years has cumulatively increased the water security & recharge and is promoting multiple cropping in the region. 2000 Farmers in the Rabi season have sown a second crop (Wheat, Groundnut, black gram, Mustard & Vegetable cultivation) leading to promotion of multi-cropping in the region.

Project was able to converge and leverage a total of ₹ 13.8 lacs through various Govt departments like Chhattisgarh Rajya Beej and Krishi Vikas Nigam limited and ₹ 61.84 lacs through community contribution in activities like construction of farm ponds, community ponds, poultry & goat sheds, vermicomposting units, solar insect traps, irrigation equipment's, etc.

**Vedanta Skill School**

The project focuses on imparting vocational training to rural youth, dropouts, and the unemployed population of Chhattisgarh with a special focus on our operational areas and links them with gainful employment opportunities. During the year, 1,414 youth trained in 3 skilling centres running in Korba, Kawardha & Surguja out of which 78% secured placements or engaged in entrepreneurial pursuits. Placements in 45 reputed organizations like Foxconn,

Crompton, Adani, Volvo Eicher, Tata Mobile Manufacturing etc. across 11 states with an average Annual CTC of ~₹ 1.4 Lac - ₹ 2.16 Lac.

The center embraced its commitment to gender equality as evidenced by the training of 72% females as well as its focus on empowering marginalized communities, with 56% of trainees coming from the SC/ST category. The centre maintained its reach across Chhattisgarh with youth coming from 22 different districts of the state this year.

Out of 52 batches, 17 batches trained in convergence with government and private partners like Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Mukhya Mantri Kaushal Vikas Yojna (MMKVY), Skill India Impact Bond (SIIB) & Generation India (Organic). The center also facilitated Recognition or Prior Learning (RPL) opportunities under the Pradhan Mantri Vishwakarma Yojana (PMVKY). These collaborations have optimized resources, resulting in enhanced outcomes & livelihood opportunities.

The centre also focuses on enhancement of other soft skills development with establishment of 4 Youth clubs (Sports, Environment, Cultural & Vocarium), Routine industrial exposure visits & interaction such as with Indigo for hospitality opportunities in Aviation etc. Fire & Road safety trainings, Menstrual Health sessions, Mentorship sessions by employee volunteers, Alumni connect and Group activities on Saturdays for overall development.

During the year, Solar PV technician trade attained 5-star Rating from the Skill Management & Accreditation of Training Centers (SMART) program by National Skill Development Council (NSDC) and Sector Skill Council (SSC) under Ministry of Skill development and Government of India underscores the institution's commitment to excellence.

● **HEALTH, WATER AND SANITATION**

**Arogya**

The project is a comprehensive health initiative providing quality Primary health care services, both preventive and curative through Rural Health Posts, Maternal & Child Health with special focus on reduction of malnourishment & anemia, awareness campaigns on HIV, TB and De-addiction. During the year, the program reached out to 59,405 people through curative and preventive healthcare services.

Three Rural Health Post at Chuhiya, Parsabhatha and Chotia provided OPD services to 5,140 people. Additionally, organized 24 Health outreach Camps in remote villages, providing accessible healthcare services to 1,185 beneficiaries.

As part of the Maternal and Child Health initiative, 3,374 children (0-5 years) were screened across 65 Anganwadis

in 45 villages. Among them, 915 were identified as malnourished children and received interventions—412 Children addressed through PD hearth sessions, 18 through NRC referral and 485 through home visits. Cumulatively all 915 children showed health improvement with 57% of them moving to completely normal health status. Additionally, for reduction of anemia in the area, conducted Anaemia screenings in 45 areas. 2,231 women including pregnant & lactating mothers were screened; 778 were identified as anaemic. Provided them with targeted counselling, emphasizing on diet diversity, promoting the use of iron-and micronutrient-rich foods prepared with locally available ingredients. HB Levels improved in 74% women indicating a positive trend.

Celebration of Safe Motherhood Day, Poshan Maah recognized 'Champion Mothers', first ever partners training & launched 'Poshan Talks' – health series on YouTube. Breast feeding week & Observing Cancer Awareness month, Congenital Heart camp has further provided a holistic improvement in areas of Maternal health, collectively benefitting over 5000 mothers.

Generated awareness on HIV to over 2,400 high-risk behavior groups like Truckers and migrant workers. Over 26,000 people sensitized through a weeklong mass awareness campaign on World AIDS Day. Focused on youth held awareness sessions in 100% i.e. 35 Government high & higher secondary in Korba block. Additionally, Life skills training capacitated 60 Youth as changemakers on HIV/AIDS Awareness for promoting peer-based learnings, further led 'Yuva Chaupals' reaching out to 1300+ youth in High-risk areas. For a collective action on the matter, also organized HIV Dissemination Workshop chaired by CMHO, Korba district. The workshop provided a platform for synergic action to arrive at a robust plan for decreasing the number of HIV cases & increasing testing on reducing HIV. Over 90 Govt. & private stakeholders participated.

TB Awareness – Capacitated 97 Frontline workers from local health bodies (Mahila Arogya Samitis & Village Health and Sanitation Committee) and raised awareness to over 900 community members on TB awareness, identification, causes, contact tracing & improving testing etc. Proper nutrition plays a crucial role in supporting the treatment and recovery of individuals with tuberculosis (TB). Hence to ensure a proper dietary intake & nutrition we implemented Nikshay Mitra initiative in collaboration with District Medical & Health department by financially supporting the diet of 100% TB patients viz 33 TB patients across 56 villages neighboring BALCO through employee volunteerism for 6 months. 90% of supported patients have now recovered, the rest under treatment are positive towards recovery.

10 Deaddiction camps held in schools & communities sensitized over 1,100 youth in schools & communities on



Drug Deaddiction, as a result 20 action groups comprising local health bodies (Mahila Arogya Samiti & Village Health, Sanitation & Nutrition Committee) and SHGs have been formed towards building Nasha-Mukt (Addiction Free) community. Converged efforts with local health bodies in communities) covering 600 PRI members & local health workers.

Mobile Health Van

The Mobile Health Van (MHV) is structured to provide Healthcare at the doorstep of the ailing. The 2 MHV's are serving our nearby 70 communities through fortnightly visits and addresses the problems of inaccessibility, inability to afford and non-availability of basic essential primary health care in communities.

During the year, 22,952 people availed health care services through MHVs including specialized physiotherapy & gynecology services. 6 Multispecialty Mega health camps (Orthopedics, Dental, Eye, ENT, Pediatrics, Gynecologist, Physiotherapist, Blood & Sugar etc.) and 3 Mega camps were held in Barra Mines region. 100+ Seasonal Awareness camps were organized in Communities, schools & Nandghars, sensitizing people on Cancer, Vaccination, Malaria, TB and other matters of health and hygiene. Community based health Volunteers (CBV) training capacitated over 100 volunteers for health outreach. 40+ people provided with need based assistive devices like Walking Sticks, Tripods, Wheelchair and Eye-Glasses etc.

Nayi Kiran (Menstrual Health Management)

The project focuses on Sensitizing & capacitating communities on Menstrual Health Management (MHM), Sustainable Menstrual Health & hygiene practices and informed product choices to ensure safe reproductive health. During the year, project sensitized 74,605 community members through awareness generation and capacity building activities and have strengthened its roots across Korba district.

Towards promoting MHM Friendly environment at schools, MHM Awareness sessions were held at 106 Govt middle, secondary & Higher secondary schools of Korba District (50% coverage at Sec & High Sec. Schools of Korba District) sensitizing 18,000+ Adolescents, on the subject matter. 70+ Teachers across district capacitated as 'MHM Sathis' for enabling MHM-friendly environment at schools viz. advocating for dignified infrastructure, disposal facilities & fostering supportive environment to improve experiences of Menarche, address frequent absenteeism leading to dropout, promote gender equality and delegate information regarding the safe menstrual practices.

Promoting inclusivity, Special needs MHM sessions held with over 100+ specially abled Adolescents & caregivers

at Divya Jyoti School, only government school in Korba for differently abled & Reusable cloth pad stitching workshop for providing safe menstrual health management alternatives, reducing dependency, and fostering inclusivity.

Promoting Sustainable solutions, created awareness on informed choice & sustainable solutions like Reusable cloth pads, for providing safe, accessible, affordable & environment friendly menstrual health management alternatives to rural & tribal communities towards a sustained adoption of hygienic practice and ending the challenges of period poverty. 'Stitch My own Pad Campaign' capacitated over 3,900 women, adolescent girls, teachers & health workers on stitching & hygienic use of Reusable cloth pads.

Community Cleanliness & hygiene, the year witnessed a combined approach towards ensuring sensitization on Sanitation & community cleanliness along with Menstrual hygiene for an overall healthy environment in communities. Over 5,000, adolescents sensitized on Menstrual Health & hygiene, Community Cleanliness & Sanitation, and Deaddiction awareness. To bring about a sustained behavioral change, trained 150 Frontline workers (Anganwadi workers & ASHA) across the district as Master trainers- Torchbearers cum leaders of change in the community. These frontline workers have further sensitized 6000+ adolescent girls & women, fostering the change at grassroot levels.

Celebrating Periods, MHM week celebrated with communities to acknowledge the acceptance of the subject matter, organized revolutionary campaign on creation of MHM friendly spaces - Medical Shops & Clinics taking the pledge to openly embrace menstrual conversations and transparent packaging, Ratri Chaupal (Film Screening on MHM), Saas bahu - Maa Beti Sammelan (learning with games) Rallies breaking the silence, poster & period bracelet making & Wall paintings etc. are a testament to the resilient communities on Menstruation.

BALCO Medical Centre

BALCO Medical Centre envisages a society where people are free from the menace of cancer. The BALCO Medical Centre (BMC), a 170-bed tertiary oncology facility - a flagship initiative of the Vedanta Medical Research Foundation (VMRF). Aims to bring ultra-modern, multi-modality diagnostic and therapeutic facilities within easy reach of India's population at an affordable cost. It is in Naya Raipur, Chhattisgarh, and patients from different parts of the country visit the centre.

During the year, 15000+ people availed healthcare services from the hospital. BMC served in remote regions through Health screenings, camps, health talks and diagnostic services, going above and beyond. 2,690 surgeries, 15,538 chemotherapy sessions, 1,705 radiation therapies and 100+

Bone Marrow Transplants. Launched HPV Vaccination Drive on Cervical Cancer Elimination Day of Action. Expanded the Bone Marrow Transplantation unit from 2 to 5 beds. More than 75 Screening Camps & Health Talks in remote areas of Central India through Mobile Cancer Detection Van.

WOMEN'S EMPOWERMENT

Unnati

The project focuses on strengthening women into Self Help Groups (SHGs) and develop their capacities and skills for entrepreneurship and sustainable livelihoods. During the year, 14 new SHGs (Self Help Groups) formed with 146 women, taking total to 535 SHGs involving 5,810 women with 2,110 women economically engaged. The cumulative SHG savings was ₹ 1.2 Cr, signifying financial resilience and independence. 90% of SHGs reported regularity in meetings and the average inter loaning increased among 98% of SHG groups.

7 established Microenterprises- UnaTex (Textile), Dekoratti (Art & Craft), Chhattisa (Food items), UnaTea (Tea Unit), Cleanaila (Cleaning Products), UnNaree (Sanitary Pads), and Mushroom Unit have now listed their product range on online market platforms like Amazon, Flipkart, India mart & WhatsApp Business expanding reach to over 18 states. Providing SHG's a broader avenue of entrepreneurial opportunities, over 4,000 women have been trained under these 7 established Microenterprises. Established Microenterprise led business avenues like Unnati Café on Wheels, Food Truck serving delicious lunch & quick snacks made by SHG women operational in BALCO plant. 'Unnati Chaupal' a vibrant food court run by SHG women Located in the BALCO Township and UnaTea led "Chai Bihan", refreshment shop at collectorate. A revenue of ₹ 10.84 Lacs has been generated through these Microenterprises.

Established Apex level body, "Unnatti Maha Sangh" a registered body under Chhattisgarh Societies Registration Act, 1979 established with the purpose of business consolidation and operational ownership development within the women members. The society has a governing board comprising 21 members and a general body with more than 2,500 members.

Additionally, 9 exposure visits have been organised, providing over 70 women with valuable insights into product development, sales, and marketing strategies, thereby honing their entrepreneurial acumen. Moreover, Unnati products have been showcased at prestigious platforms Pali Mahotsav, Delhi Haat, Investors meet Jharsuguda etc. highlighting the recognition garnered by its products.

81 Nano enterprises were also supported to promote entrepreneurship & strengthen women run small businesses

viz. Tiffin service, Fancy store, Cosmetic, Stitching etc. run by 118 SHG women. Aiding an average additional income of ~₹ 3,500 per women per month.

On International Women's Day "Unnati Utsav" celebrated with 1500+ community women, girls, and employees on the theme 'Accelerating Action', Appreciated by Guest of honor Ms. Sanju Devi Rajput (Mayor, Nagar Nigam Korba); Women linked with various Micro & Nano enterprises also got the opportunity to showcase their entrepreneurship skills at 'Unnati Mela' with 15 women run stalls. Women also participated in various sports & immersive team building activities & cultural performances. 16 zealous community members were recognized and felicitated for their contribution towards development of the women, bringing social change for the benefit of all.

COMMUNITY ASSETS CREATION

Community Infrastructure Development

Infrastructure development in the communities provides an opportunity to improve their quality of life. The intervention aims at addressing the infrastructural gaps in the socio-economic development of the communities with upgradation of the existing facilities. The activities of this year included Renovation of 6 Schools & 4 Anganwadi's, Construction of 3000+ Meter Cement Concrete Road, 13 Community toilets, 4 community stages, 4 children's Park and 1 Community Hall cumulatively benefiting 7000+ community people.

EMPLOYEE ENGAGEMENT

At BALCO the socio-economic development of the community is of paramount importance. We are dedicated towards empowering the local community and establishing a connect between the community members and employees to establish a relationship based on 'trust'. The employee engagement initiatives act as a bridge to achieve this connect. During the year, 489 employees and 133 Business Partners volunteered, contributing 390+ manhours, cumulatively for activities like:

- Wish Tree Initiative - gifts to the kids of the nearby communities, fulfilling their wishes.
- Value Added Modules - Taking soft skill building sessions in Vedanta Skill School.
- Blood Donation Drive - Highest single day contribution at district level.
- Let's Do Ropai - Sowing in the fields of farmers for transplantation of paddy.
- Aawa Phalli Lagawa - Sowing peanuts in fields of farmers for additional income generation.



- **Rejuvenation Drive** - Community Pond rejuvenation drive at Jambahar village.
- **Cleanliness Drive** - Joining hands for cleaning water body site at Parsakhola village.
- **Science Mitras** - Mentored students from govt. schools for preparing science models.
- **Nikshay Mitra** - Financial support for six months for Nutritious Diet to TB patients
- **Shiksha Sahayogi** - Financial support provided for re-enrolment of Drop out children.
- **Able Minds Able Hearts** - Connecting with especially abled through Art & storytelling.
- **Support Green Periods** - Supporting girls/ women with Stitched Reusable cloth pads.
- **Birthday's at Nandghar** - Celebrating birthdays or special days with Nandghars.
- **Book Donation Drive** - Reusing books, sharing books with community children.
- **Mission Green** - Seed ball making & Plantation drive at Nandghar.

• **SAFETY**

In order to promote safety in communities, 80 safety trainings on Road, Fire & Home safety and various Safety campaigns were organized reaching out to 2,700+ community members & school children and students at Vedanta Skill School. Observed Road Safety Month & held first ever CPR trainings for Community based organizations.

• **ANIMAL WELFARE**

Animal welfare initiatives held in collaboration with District Veterinary department, included Reflective Collar drive for over 1,500 stray cows, enhancing their visibility for nighttime safety, minimizing accidents, and ensuring their well-being on roads and in communities, Vaccination & feeding drive of over 200 stray dogs towards making the community rabies free.

• **AWARDS**

During the year, CSR efforts were appreciated and recognized with 8 National & 2 State awards-

- ASSOCHAM's 3<sup>rd</sup> Menstrual Hygiene Management Conference & Awards 2024 for Project "Arogya" under the category 'Maximum Impact by CSR Initiative in Menstrual Hygiene - Corporate & PSUs'
- ASSOCHAM's 5<sup>th</sup> Edition of CSR & Sustainability Award 2023 for Project Mor Jal Mor Maati, Unnati &

Vedanta Skill School under the category 'Excellence in Providing Livelihood to Local Community.'

- First Runner-Up at 'The CSR Journal Excellence Awards' for Project "Unnati" in the category 'Women Empowerment and Child Welfare'.
- 'Healthcare CSR Changemakers Summits & Awards 2024' by Heal Foundation for Exceptional work in Menstrual Hygiene Management (MHM) by Project Nayi Kiran.
- Gold Award at the '8<sup>th</sup> CSR Health Impact Awards 2024' by Integrated Health & Wellbeing (IHW) for 'CSR Health Project- Large Corporate'.
- Winner at 'ASSOCHAM 3<sup>rd</sup> Healthcare Summit & Awards 2024'- 'Best CSR Excellence in Healthcare- Corporate'.
- Winner at 3<sup>rd</sup> Edition of 'BCC&I Social leadership & Conclave Awards 2024'- Category Education (Corporate)- 'Skilling Excellence' for Project Vedanta Skill School.
- 'Certificate of Appreciation' by 9<sup>th</sup> ICSI CSR Excellence Awards 2024, Institute of Company Secretaries of India (ICSI), Ministry of Corporate Affairs, Government of India.
- Recognition by Chhattisgarh Govt for highest single day blood donations at District- 250+ Blood Units collected.
- Recognition by Chhattisgarh Govt for Nikshay Mitra initiative (TB Mukta Bharat)- 33 TB patients in 56 areas supported.

**(AC) ENTERPRISE RISK MANAGEMENT**

The Risk Management Committee is responsible for overseeing the Company's risk management policies and framework. This Committee assists the Board of Directors in fulfilling its oversight responsibilities regarding the Company's risk appetite, risk management, and compliance framework. The Committee typically includes members with relevant experience and expertise and is led by the CEO along with the Risk Officer i.e., the Company Secretary of the Company. These members are formally nominated at the operating business level to develop a risk-management culture within the businesses.

Risks are identified and assessed using a Risk Matrix, which evaluates risks based on a 5x5 scale of impact and likelihood. Risks are categorized into six factors: Financial, Health, Safety, Environment, Legal and Regulatory, and Brand and Reputational. Risks are documented in a Risk Register and rated as Critical, Significant, Moderate, or Acceptable based on their scores. Mitigation measures

are mapped, and each risk has designated Risk Owners and Risk Managers who continuously monitor and address risks. The framework includes quarterly reviews by the Risk Management Committee and is presented before the Audit Committee half-yearly.

In the opinion of the Board, none of the risks faced by the Company threaten its existence.

**(AD) MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN NATURE OF BUSINESS**

There have been no material change(s) and commitment(s), except elsewhere stated in this report, affecting the financial position of the Company between the end of the financial year of the Company i.e., March 31, 2025, and the date of this Report. There has been no change in the nature of business of the Company during the financial year ended on March 31, 2025.

**(AE) SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

The Company does not have any Subsidiary, Associate and Joint Venture Company.

**(AF) DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

There is no difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions.

Dated: 22<sup>nd</sup> April 2025

**(AG) OTHER DISCLOSURES**

- There was no revision in the financial statements.
- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- There were no frauds reported by the Auditors u/s 143(12) of the Companies Act, 2013.
- There were no applications made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year.

**(AH) APPRECIATIONS AND ACKNOWLEDGMENTS**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication, and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, customers, vendors, members, and debenture holders during the year under review. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth.

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

For and on behalf of the Board of Directors  
**Bharat Aluminim Company Limited**

Sd/-  
**S. K. Roongta**  
DIN-00309302  
Chairman

Sd/-  
**Rajesh Kumar**  
DIN-09586370  
CEO & WTD



Annexure-A:

Annexure to Board’s Report

A. CONSERVATION OF ENERGY:

(1) Energy conservation measures taken:

- Various initiative taken, and trials conducted in Pot line to achieve the benchmarking parameter in pot lines.
  - Achieved lowest-ever net carbon consumption of 410.2 Kg/MT, improving from 412.9 Kg/MT in FY24, driving \$1.27 million savings.
  - Technical Fleet Optimisation System implemented reducing requirement of 5 forklift (1500 litre diesel consumption saving per month).
- HSES Measures:
  - Bake Oven FTP Emission: Improved from 39.69 mg/Nm³ in FY24 to 8.69 mg/Nm³ in FY25, with zero breakdowns in the ID fan in FY25.
  - GAP Stack Emission: Improved from 30 mg/Nm³ in FY24 to less than 17.03 mg/Nm³ in FY25.
  - Lowest-ever Sp. Water Consumption of 0.41 m³/MT in potline, surpassing the previous best of 0.51 m³/MT in FY24.
  - Lowest-ever Sp. Water Consumption of 20 m³/day in Cast-house, surpassing the previous best of 31 m³/day in FY24.
- Key Projects-
  - Achieved lowest-ever net carbon consumption of 410.2 Kg/MT, improving from 412.9 Kg/MT in FY24, driving \$1.27 million savings.
  - Upgraded Pot controller IT & communication system to GAMI GLM-VIII, enhancing system reliability without the need for OEM onsite presence.
  - Design Modification in Stub Holes of Anodes: Implemented to reduce power consumption in the Potline, saving ₹ 1.3 Cr/annum.
  - Anode Slot Height Increase: Increased from 237 mm to 260 mm to reduce power consumption in the Potline, saving ₹ 1.3 Cr/annum.
  - Butt Air Blowing Station: Installed to reduce shot blast dust generation by 30%.
  - Wire Rod Throughput Improvement: From 12.8 TPH to 14.5 TPH.

- PFA Throughput Improvement: From 11 TPH to 13.5 TPH.
- Metal Handling Capability for CH: Improved from 525 KTPA in FY24 to 542 KTPA in FY25.
- Installation of Rotary Furnace: This led to an 2% reduction in melt loss, 12% reduction in LSHS, and a 67% reduction in WIP.
- Installation and Commissioning of Automatic Mould Metal Level Control at 18.5 MT Casting station and Induction Furnace for Scrap Melting.
- Inhouse development of Band Saw - Plate Cutting Machine.
- Additional Investment
  - Installation of Rotary Furnace: This led to an 2% reduction in melt loss, 12% reduction in LSHS, and a 67% reduction in WIP.
  - Wire Rod Mill-1 Coiler Modification: Completed in Jul’24.
  - Butt Air Blowing Station: Installed to reduce shot blast dust generation by 30%.

(2) Energy conservation measures taken:

- Initiative taken in the Power Plant to achieve the benchmarking parameters:

135 MW unit 2 turbine rotor Renovation and Modernization for better cylinder efficiency & heat rate improvement. Various Initiative for improving energy efficiency like:

  - Air preheater basket replacement with advance profile to improve boiler efficiency by 0.3%,
  - U#3 and U#4 cooling tower fills replacement with improved profile which in turn reduces the turbine heat rate by 7.2 Kcal/KWh
  - Unit Heat rate improvement (39 kcal/kwh) in 1200 mw unit 3 & 4 after annual overhauling,
  - Installation of condenser online tube cleaning system to improve condenser cleanliness,
  - High pressure heater replacement in 135 MW units.
  - Compressed air dryer replacement from desiccant to refrigerant

- Digitalization in Power Plant for efficiency and operational improvement like:
  - Class App for tracking of truck TAT and material wise coal unloading.
  - OSPi & Pulse system for Boiler tube leakage prediction & parameter tracking.
  - Incorporation of online hotspot monitoring & Coal Conveyor belt monitoring system in Coal handling plant.
- Reduction in Specific Coal Consumption from 698 gms/KWHr to 694 gms/KWHr due to following initiatives:
  - U#3 & U#4 300 MW and U#4 135 MW Overhauling

- Condenser Tube Cleaning in U#3 & U#4 of CPP 600 Units.
- CT fills replacement in U#3 & U#4 of CPP 600 Units.
- APH Basket & Seal Replacement with improved design in CPP 600 U#3.
- APH Basket replacement in CPP 540 U#4.

(3) Recognition and system implementation for energy Improvements

- BALCO wins National energy leader award by CII at Energy excellence summit.
- BALCO bags the Best Total Quality Management (TQM) Organization Award.

(4) Disclosure of particulars with respect to conservation of energy

(in Cr.)			
Particular	Unit	2024-25	2023-24
1 Hot Metal			
i Electricity	Kwh/MT	13,657	13,627
2 Propenzi Rod (Including Alloy Rods)			
i Electricity	Kwh/MT	131	138
ii Furnance Oil	Ltr/MT	4	5
3 Ingots			
i Electricity	Kwh/MT	40	38
ii Furnance Oil	Ltr/MT	8	9
4 Rolled Product			
i Electricity	Kwh/MT	1,328	1,281
ii Furnance Oil	Ltr/MT	141	135

Excludes capitalised quantity

(in Cr.)			
Particular	Unit	2024-25	2023-24
1 Electricity: Own Generation			
Units	M. KWH	10,996	10,656
Total Amount	₹ in Crs	3,277	3,777
Average Rate	₹ /KWH	3	4
2 Coal (Used in Boiler House)			
Quantity	MT	85,93,762	80,90,147
Total Amount	₹ in Crs	2,438	2,876
Average Rate	₹ /MT	2,836	3,555
3 Furnace Oil & Light Diesel Oil			
Quantity	KL	24,492	26,330
Total Amount	₹ in Crs	149	143
Average Rate	₹ /KL	60,842	54,271

Excludes capitalised quantity



B. TECHNOLOGY ABSORPTION - FORM B

(1) Research and Development (R&D):

- Specific areas in which R&D carried out by the Company:
  - BALCO has implemented its indigenous RCC relining method for 49 pots by FY25, saving 6 Kwhr/MT, and plans to extend it in all pots in FY26 for further savings.
  - BALCO has initiated a full copper collector bar design trial in one pot, aiming for future lowest power consumption for that pot.
  - Anode design modification to reduce the power consumption in potline so that we can improve our current efficiency.
  - Installing an air blower machine to reduce shot blast dust generation by 30%.

Customer & New Product development:

- Successfully developed new product EC Grade Aluminium Wire Rods, engineered for fine wire drawing up to 0.1mm, catering to critical applications in fine winding segments.
- Successful homologation of AISi with M/s. Tata Steel Khopoli.
- Produced Cu-doped primary foundry alloys for cylinder head applications for M/s. Craftsman Automation for the first time.
- Achieved first-time export supply of AISi T-ingot from BALCO to Duferco, Africa (25 MT) and Abul Khair, Bangladesh (50 MT).
- Successfully established T4 alloy rods in Domestic market (Sales volume - 13 KT FY25 Vs 10.8 KT FY24)
- Increased PFA market penetration to 4W segment by establishing quality with SSWL, Maxion Wheels, Uno Minda and Maruti.
- Successfully produced RP 5XXX alloys for Defense, maritime and silos applications, achieving a higher NEP.
- Developed AA 1070 rolled products with high structural integrity for nitric acid storage applications for M/s. John Galt International, with a higher NEP.

- Successfully created AA3105 rolled products for fan blades for M/s. Orient Electric.
- Successfully developed AA3003 circles for cookware application for M/s. Hawkins.
- Successfully developed O-tempered rolled products for LED lamp cap applications for M/s. Sun LED.
- Successfully developed a new RP sheet product with PVC film coating.
- Completed the first stage qualification with M/s. Ola Electric for the supply of battery busbars.

Digitization:

- Coal Quality Reconciliation: Automating the process to ensure the quality of received coal matches the paid grade, enabling accurate tracking of debit and credit notes generated from coal suppliers.
- Coal Control Tower: Monitoring inbound coal receipts and providing real-time tracking of coal vehicles.

Benefits derived as result of R&D

- BALCO has implemented its indigenous RCC relining method for 49 pots by FY25, saving 6 KWHr/MT
- Implementation of Anode coating results in reduction of Carbon consumption 3 kg/mt.

Future plan of action

Power:

- 135 MW units (#1,#3,#4) turbine rotor Renovation and Modernization.
- Longterm sourcing of renewable power ~200 MW on round the clock (RTC) basis for our smelter requirement.
- 400 KV GIS upgradation.
- Retrofitting of Honeywell DCS 540MW for Plant reliable operation.
- Infrastructure development for transporting ash through rack.

- Additional Cooling tower installation in 540 MW plant to improve cycle efficiency.
- HPH replacement in U#1 540 MW for improvement in plant performance.

Metal:

- New Generation compressor CAPEX approved at all levels & Ordering in process.
- Purchase order has been given to EESL by BALCO & same has been escalated to Third party. Final Purchase order from third party yet to be received.
- Total 49 pots have been installed in BALCO to reduce the Specific power consumption.

C. EXPENDITURE ON RESEARCH AND DEVELOPMENT (R&D)

₹ in Crores)		
Particulars	FY 25	FY 24
Capital Expenditure	-	-
Recurring Expenses	2.13	3.78
Total Expenditure	2.13	3.78
R&D Expenditure as a % of total turnover	0.01%	0.03%

D. TECHNOLOGY ABSORPTION, ADAPTATION, AND INNOVATION

- Efforts made for technology absorption.
  - 135 units HIP turbine blades replacement with improved profile for better efficiency.
  - RO plan for treatment of cooling tower blowdown water to recycle the same.
  - Condenser online tube cleaning system installation for performance optimization.
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable.

E. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:

The initiatives taken by the Company in product development / production of new products have improved the export potential of the Company's products.

Total foreign exchange used and earned during FY 2024-25 is as below:

Foreign exchange earnings: ₹ 973 Cr.

Foreign exchange outflow: ₹ 4,033 Cr.

For and on behalf of the Board of Directors  
Bharat Aluminim Company Limited

Sd/-  
S. K. Roongta  
DIN-00309302  
Chairman

Sd/-  
Rajesh Kumar  
DIN-09586370  
CEO & WTD

Dated: 22<sup>nd</sup> April 2025



Annexure-B:

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2025

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

To,  
The Board of Directors,  
**BHARAT ALUMINIUM CO LTD**  
**(CIN: U74899DL1965PLC004518)**  
Aluminium Sadan Core–6,  
Scope Office Complex 7,  
Lodhi Road, New Delhi-110003

Dear Sir/Ma’am(s),

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bharat Aluminium Co Ltd** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2025 (**"Audit Period"**) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the **"Act"**) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

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

During the audit period, we are of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable.

- iv) The Company is engaged in the business of manufacturing and supply of high-quality aluminum. As informed by the Management, following Laws are being specifically applicable to the Company:

- i. The Mines Act, 1952 and Rules made thereunder;
- ii. The Mines and Minerals (Development and Regulation) Act, 1957 and the Rules made thereunder;
- iii. The Electricity Act, 2003 and rules and regulations made thereunder.

On our test-check basis, we are of the view that the Company has ensured the compliance of laws specifically applicable on it.

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

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

Board decisions were carried out with requisite majority and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

**We further report that** there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- the Board of Directors of the Company and members of the Company at their meeting held on August 05, 2024 and September 09, 2024 respectively approved the proposal for increase in the borrowing limits of the

Company from INR 7,000 Crores to INR 8,000 crores under Section 180 (1)(c) of the Companies Act, 2013; &

- the Board of Directors of the Company and members of the Company at their meeting held on August 05, 2024 and September 09, 2024 respectively approved the proposal for creation of charges on the movable and/or immovable assets of the Company, both present and future, under Section 180(1)(a) of the Companies Act, 2013 in respect of borrowings of the Company.

**For Sanjay Grover & Associates**  
Company Secretaries

Firm Registration No.: P2001DE052900  
Peer Review Certificate No.: 6311/2024

Sd/-  
**Dr. Navrang Saini**  
Partner  
New Delhi  
April 22, 2025

M. No.: FCS 2122/ CP No. 27228  
UDIN: F002122G000169861



Annexure-A to the Secretarial Audit Report

To,  
The Board of Directors,  
**BHARAT ALUMINIUM CO LTD**  
**(CIN: U74899DL1965PLC004518)**  
Aluminium Sadan Core-6,  
Scope Office Complex 7,  
Lodhi Road, New Delhi-110003

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

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

**For Sanjay Grover & Associates**  
Company Secretaries

Firm Registration No.: P2001DE052900  
Peer Review Certificate No.: 6311/2024

Sd/-  
**Dr. Navrang Saini**  
Partner  
New Delhi  
April 22, 2025  
M. No.: FCS 2122/ CP No. 27228  
UDIN: F002122G000169861

ANNEXURE-C

Annual Report on Corporate Social Responsibility Activities

1. Brief Outline on the CSR Policy of the Company:

Bharat Aluminium Company Limited firmly believes in the coexistence of business and communities and is committed to the development of an eco-system of prosperity in the society around operations. As a responsible corporate citizen, we aim "To empower and support communities specially neighbourhood communities in achieving greater economic and social well-being". As part of our CSR policy, we believe in partnering with government agencies, development organisations, corporates, civil societies & community-based organisations to implement long term sustainable initiatives. We also believe that our employees have the potential to contribute towards building strong communities through sharing their knowledge and

expertise. Hence, we proactively create opportunities whereby employees can also connect and contribute.

The Company complies with Section 135 of the Companies Act, 2013 and the approach is focused on long-term programmes aligned with community needs and national priorities, including Sustainable Development goals. At Bharat Aluminium Co Ltd. ("**BALCO**" or the "**Company**") business success is not just about profits and shareholder returns. We believe in pursuing wider socioeconomic and cultural objectives and have always endeavoured to not just live up to it, but to try and exceed the expectations of the communities in which we operate.

The detailed CSR Policy of the Company is available on Company's website at: [Corporate Social Responsibility Policy](#).

2. The composition of CSR Committee is as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee held during the year
1	Mr. S. K. Roongta	Chairman, Independent Director	02	02
2	Mr. Rajesh Kumar	Member, CEO & Whole Time Director	02	02
3	Ms. Nirupama Kotru	Member, Government Nominee Director	02	01
4	Mr. A. K. Mittal	Member, Independent Director	02	02

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:

Composition of CSR Committee	<a href="https://www.balcoindia.com/about-us/balco-team/composition-of-committees-of-board/">https://www.balcoindia.com/about-us/balco-team/composition-of-committees-of-board/</a>
CSR Policy	<a href="https://d2z119uefzbzxd.cloudfront.net/wp-content/uploads/2023/03/CSR_Policy_19&lt;sup&gt;th&lt;/sup&gt;_May_2021.pdf">https://d2z119uefzbzxd.cloudfront.net/wp-content/uploads/2023/03/CSR_Policy_19<sup>th</sup>_May_2021.pdf</a>
CSR projects approved by Board	<a href="https://www.balcoindia.com/csr/annual-action-plan/">https://www.balcoindia.com/csr/annual-action-plan/</a>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies if applicable - NA

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 1,833 Cr
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 36.66 Cr

- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**
- (d) Amount required to be set-off for the financial year, if any: ₹ 36.66 Cr.
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **NIL**

6. (a) Amount spent on CSR Projects (both Ongoing Project & other than Ongoing Project): ₹ 17.60 Cr



- (b) Amount spent in Administrative Overheads: ₹ 0.35 Cr
- (c) Amount spent on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 17.95 Cr
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
17.95 Cr	NIL	NIL	NIL	NIL	NIL

- (f) Excess amount for set-off, if any

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Amount of surplus contribution being carried forward from previous years	42.58 Cr.
(ii)	Two percent of average net profit of the Company as per sub-section (5) of section 135	36.66 Cr.
(iii)	Total amount spent for the Financial Year	17.95 Cr.
(iv)	Excess amount spent for the Financial Year [(i)-(ii)] + (iii)]	23.87 Cr.
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(vi)	Amount available for set off in succeeding Financial Years [(iv)-(v)]	23.87 Cr.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-25	NA	NA	NA	NA	NA	NA	NA
2	FY-24	NA	NA	NA	NA	NA	NA	NA
3	FY-23	NA	NA	NA	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NA	NA	NA	NA	NA	NA	NA	NA

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) – NA

Sd/-	Sd/-	[Person specified under clause (d) of subsection (1) of section 380] (Wherever applicable)."
(Chief Executive Officer or Managing Director or Director)	(Chairman CSR Committee)	

ANNEXURE-D

Nomination Policy

1. Legal Framework & Objectives:

Section 178 of the Companies Act, 2013 ("Act") read with the applicable Rules thereto require the Nomination and Remuneration Committee ("NRC") of the Board of Directors of every listed company, among other classes of companies, to:

- a. Identify persons who are qualified to become directors and who may be appointed in a KMP role in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- b. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- c. Devising a policy on diversity of the Board of directors.
- d. Specify the manner and criteria for effective evaluation of the performance of the Board, its committees, and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance. Basis the performance evaluation results of independent directors, decide whether to extend or continue their term of appointment or not.
- e. Recommend to the Board of directors a policy relating to the remuneration of the directors, KMP and other employees including SMP.

This policy shall act as a guideline on some of the above-mentioned objectives of the NRC.

2. Definitions:

- a. Board means Board of Directors of the Company.
- b. Committee means the Nomination & Remuneration Committee
- c. Directors mean Directors of the Company.
- d. Independent Director means as provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013.
- e. Key Managerial Personnel (KMP) means: -
  - Chief Executive Officer or the Managing Director or the Manager;
  - Whole Time Director;

- Chief Financial Officer;
- Company Secretary; and
- Such other officer as may be prescribed

- f. Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors and including Functional Heads, viz., the Executive Committee (EXCO) of the Company.

3. Composition and Chairmanship:

The membership of the Committee shall consist of at least three non-executive directors, out of which not less than one half shall be Independent Directors. The Chairperson of the Company (whether executive or non-executive) may be appointed as a Member but shall not chair such committee. The Chairperson of the committee shall be an independent director and shall be appointed by the Board. In case the Chairperson is not present at any committee meeting, the members present at the meeting shall, amongst themselves, elect a Chairperson for that meeting. The membership of the Committee shall be disclosed in the annual report.

4. Appointment and removal of Director & KMP:

The Committee shall evaluate the balance of knowledge, skill, professional & functional expertise, industry orientation, gender, age etc. on the Board and, in the light of this evaluation, prepare and recommend to the Board, a description of the role and capabilities required for a particular appointment. In case of Directors, and KMPs, in addition to the above specifications the NRC shall ensure that the potential candidates possess the requisite qualifications and attributes as per the Applicable Laws. With respect to removal of any Director and KMP, the NRC shall in consultation with either the Chairman, other Directors or CEO (as appropriate), review the performance and/or other factors meriting a removal and subject to the provisions of the applicable Laws and the Articles of Association of the Company, recommend to the Board its course of action.

5. Board Familiarization and learning:

The NRC will adopt a structured program for orientation and training of Independent & Non-Executive Directors at the time of their joining so as to enable them to understand

the Company - its operations, business, industry, and environment in which it operates. The company has a separately defined Familiarization Program for the Directors which also focus to update the Directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decisions.

6. Performance Evaluation of the Board, its committees, and individual directors:

Each year, the NRC will formulate the criteria and the process for evaluation of performance of the Board, Individual Directors, Chairperson, and the Committees of the Board and recommend the same to the Board. The evaluation shall be carried out either by the Board, by the Committee or by an independent external agency and the NRC shall review its implementation and compliance with Applicable laws as well as the criteria and process lay out.

The evaluation of the Independent Directors shall be done by the entire board of directors which shall include:

- Performance of the directors; and
- Fulfilment of the independence criteria as specified and their independence from the management as specified under Applicable Laws.

Directors who are subject to this evaluation shall not participate in their own evaluation. The independent directors of the Company shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting. The independent directors in their separate meeting shall, inter alia:

- i) Review the performance of non-independent directors and the Board of directors as a whole.
- ii) Review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.
- iii) Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of directors that is necessary for the Board of directors to effectively and reasonably perform their duties.

Basis the evaluation results, the NRC will make its recommendations to the Board on the appointment/re-appointment / continuation of Directors on the Board.

7. Board Diversity:

The Committee in their nomination process and while making recommendations to the Board shall endeavour

to have an optimum combination of directors from different fields/walks such as Management, Legal, Finance, Marketing, Human Resources, Bureaucracy, Public Policy etc. and adequate representation of Women directors on the Board. While reviewing the composition of the Board, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above.

8. Succession Planning:

The NRC shall draft and recommend to the Board a succession plan for the appointments made to the Board of Directors as well as KMPs. The NRC shall review such plan on an annual basis and recommend revisions, if any, to the Board. The NRC shall work with the management and follow the following process for effective succession planning:

- i) Assessment of potential employees and creation of a leadership pool.
- ii) Development of the talent pool through actions such as involvement in strategic meetings, leadership workshops with top management, coaching, anchoring, job rotations, role enhancement, council memberships and involvement in cross function projects etc.

REMUNERATION POLICY

The Committee will recommend policy relating to remuneration payable to Directors, Key Managerial personnel, and Senior Management. The same shall be subject to the approval of the shareholders of the Company and the Central Government, wherever required.

1. Guiding Principles of the Executive compensation program are:

- **Alignment with Business Strategy and Level of Responsibility & Impact:** As employees progress to higher levels in the organisation, their performance has a greater direct impact on the strategic initiatives and business results.
- **Fixed/ Base Salary Decisions:** The Executives' fixed salary shall be competitive and based upon the industry practice and benchmarks considering the skill & knowledge, experience, and job responsibilities.
- **Pay-for-Performance:** A large portion of each Executive's total compensation is linked to the achievement of Company and individual performance goals. Such variable compensation is "at risk", and rewards performance and contributions to both short-term and long-term financial performance of the Company.



# Report on Corporate Governance

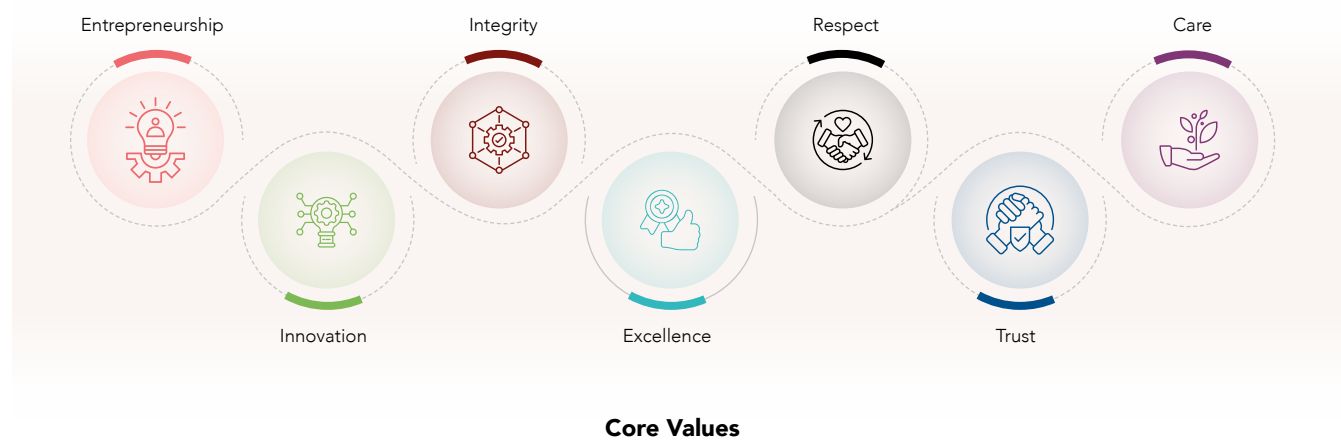
“Building strength through people while promoting organizational success through committing teamwork.”

## Company’s Philosophy on Code of Governance:

At Bharat Aluminium Company Limited, our Corporate Governance framework is a reflection of our core values, vision, mission, and seven foundational pillars. We are unwavering in our commitment to maintaining the highest levels of trust and confidence among our stakeholders. This is achieved through a steadfast adherence to transparency, accountability, excellence, integrity, safety, and professionalism. We believe that the sustainable and long-term growth of all stakeholders is contingent upon the judicious and effective utilization of

available resources, a relentless pursuit of business excellence, active participation in societal development, environmental stewardship, and significant contributions to economic growth.

Our approach to business is rooted in ethical decision-making and strict compliance with applicable legislation. Responsible corporate conduct is integral to our operations, guided by our values and principles at every level of the organization. We recognize our individual and collective responsibilities to manage our business activities with the utmost integrity.



## Transforming Board’s Governance

- ♦ All Statutory Committees of Board chaired by a Non-Executive Independent Director;
- ♦ Separate Roles of Chairman and Executive Director held by different individuals;
- ♦ Online Secured Platform for circulation of documents to Directors enabling them to mark annotations and access the repository of archived meetings’ papers;
- ♦ Complete and robust online system for ensuring compliances across all locations and functions;
- ♦ Online Platform for Performance Evaluation of Directors, Board and its Committees;
- ♦ Online Platform for uploading documentation Internal Financial Control;
- ♦ Online Platform for Related Party Transactions to eliminate errors, optimize time and ensure thorough

documentation resulting in automation of all admin manual entries along with saving around 2000+ manhours per annum. All requests raised, allocated and approved are now via portal with 100% coverage of RPT transaction resulting in reduction of governance lapses;

- ♦ Implementation of Bi-Monthly online confirmation process for material events and Information requiring disclosure under Regulation 30 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulations”), being the subsidiary of Vedanta Limited;
- ♦ Monthly update to Directors on Company’s Performance and Developments;
- ♦ Online Portal for comprehensive Risk Management, including quarterly updates of risk ratings and mitigations plans.

- a. **Performance Bonus Plan:** The Performance Bonus Plan rewards contribution to the achievement of the Company’s annual financial, strategic, and operational goals and individual KRAs. The Performance Bonus drives high performance culture to achieve the organisation’s objectives by differentiating rewards based on performance. The performance will be related to the fulfilment of various targets and attainment of business objectives, both at the Company and individual level.
- b. **Short/Long Term Incentives:** Executives’ compensation is linked to long-term stock price appreciation, and shareholder value creation through the Company’s Long-term Incentives (LTI) plan. The LTI Plan balances Executives’ performance orientation and decisions to deliver on the short-term business outcomes with the long-term performance of the Company, both on financial and non-financial parameters.
- **Competitive in Marketplace:** We compete for talent globally. In order to attract and retain a highly skilled workforce, we must remain competitive with the pay of other employers who compete with us for talent.

## 2. Remuneration to Non-Executive / Independent Director:

- **Sitting Fees:** The Non-Executive Director/Independent Director may receive remuneration by way of fees for attending the meetings of the Board

or Committee thereof provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- **Stock Options:** An Independent Director shall not be entitled to any stock options of the Company.
- **Yearly Fee/Commission:** The yearly fee/commission may be paid within the monetary limit approved by the shareholders subject to the limit not exceeding 1% of the net profit of the Company as per the applicable provisions of the Companies Act 2013.

## 3. Interpretation:

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and rules prescribed therein, as may be amended from time to time and per the Listing Agreement with Stock Exchange(s) as may be amended from time to time, shall have the meaning respectively assigned to them therein.

## 4. Amendments in Law:

Any subsequent amendment/modification in the Companies Act, 2013 and/or the listing agreement and/or other applicable laws in this regard shall automatically apply to this Policy.

For and on behalf of the Board of Directors  
**Bharat Aluminim Company Limited**

Sd/-  
**S. K. Roongta**  
DIN-00309302  
Chairman

Sd/-  
**Rajesh Kumar**  
DIN-09586370  
CEO & WTD

Dated: 22<sup>nd</sup> April 2025

Guiding Principles of Corporate Governance:

We adhere to corporate governance guidelines that uphold the highest standards of accountability, transparency, fairness, responsibility, and risk management. These principles guide our operations, balancing stakeholder interests and fostering trust. By following these guidelines, we ensure ethical conduct, legal compliance, and sustainable growth, ultimately creating lasting value for all stakeholders.



Corporate Governance Framework:

Our corporate governance framework is guided by the principles outlined in the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and the Companies Act, 2013 ("Act"). These guidelines ensure that our governance practices adhere to the highest ethical and responsible business standards. The Board of Directors is entrusted with the responsibility of upholding sound corporate governance principles. They play a crucial role in overseeing the management's efforts to serve the short-term and long-term interests of shareholders and other stakeholders. This commitment is reflected in our governance

practices, which are designed to achieve excellence in all facets of our business operations.

We prioritize accountability and ethical conduct in all our operations, ensuring that our business decisions align with the best interests of our stakeholders. Additionally, we actively engage in Corporate Social Responsibility (CSR) activities, reflecting our commitment to societal and environmental well-being. Through these comprehensive governance practices, we strive to achieve sustainable growth and generate long-term value for all our stakeholders.



Role of the Company Secretary in overall Governance Process:

The Company Secretary plays a pivotal role in ensuring effective corporate governance within an organization. They are responsible for ensuring compliance with all legal and regulatory requirements, including the Act, and Secretarial Standards. By facilitating the efficient functioning of the Board of Directors and its Committees, organizing meetings, preparing agenda, and maintaining accurate records, the Company Secretary supports the Board in its governance duties.

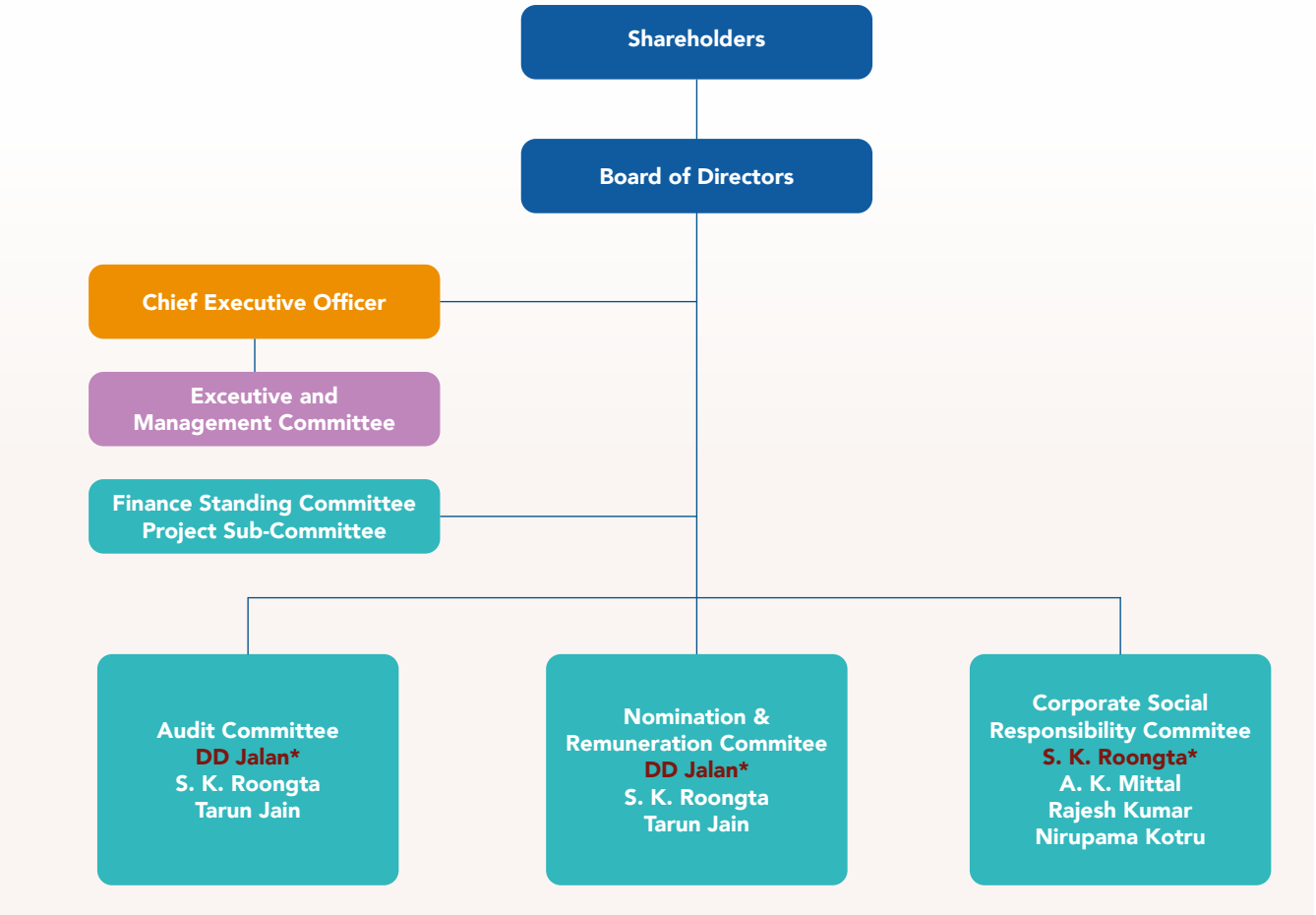
Acting as a liaison between the Board and stakeholders, the Company Secretary ensures transparent and effective communication. They also maintain and safeguard corporate records, identify and manage risks, and promote a culture of integrity and ethical behavior throughout the organization. The Company Secretary upholds the principles of corporate governance, fostering trust, transparency, and accountability within the organization.

Board of Directors:

The Board of Directors is an apex body that plays a significant role in corporate governance by establishing and overseeing the Company's vision, mission, and strategic direction. This diversely constituted Board creates an enlightened culture of leadership, providing long-term vision and improving governance practices with effective oversight. The Board holds a fiduciary position, exercising appropriate control and independent judgment, and monitoring the effectiveness of the Company's governance mechanisms. They supervise strategic decisions on behalf of all stakeholders, including shareholders.

To effectively discharge its obligations and oversee relevant areas, the Board has delegated specific responsibilities to various designated Board Committees. Each Committee operates under a clearly defined charter, outlining its terms of reference and scope. These Committees are entrusted with their respective duties, roles, and responsibilities, and they make recommendations to the Board for action.

The reporting structure, as shown below, between the Board, Board Committees and Management Committees forms the backbone of the Company's corporate governance framework.



\* Chairman of the Committee



Key Board Qualifications, Skills, and Attributes:

Brief resume of the Directors summarizing the key qualifications, skills and attributes which are taken into consideration while nominating to serve on the Board and to function effectively. The nature of their expertise in specific functional areas and name of Companies in which they hold Directorship, and the Membership of the Committees of the Board can be viewed on the Company's website at <https://www.balcoindia.com>.

Board's Role in driving Leadership for Excellence and Ensuring Robust Governance:

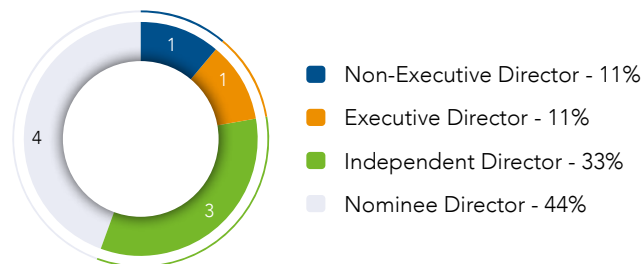
Our Board members, with their rich industry experience and diverse backgrounds, provide valuable insights to senior management on emerging trends, industry practices, potential growth opportunities, and risks. The Board encourages innovation and the adoption of pioneering technologies to create sustainable, long-term value for stakeholders, recognizing that innovation and technology are key drivers of the Company's steady growth.

The Board ensures the Company's performance remains robust and its growth sustainable by proactively requesting detailed analysis, benchmarking, review presentations, and status updates. Based on these updates and presentations, the Board offers suggestions to enhance business performance and strategy. During quarterly Board meetings, senior management presents updates on both financial and non-financial aspects of the business. Significant time is dedicated to agenda items, with briefings provided to directors in pre-call meetings. Input from these meetings is implemented, and updates are given in subsequent meetings.

The Board Composition and Size:

The Board has a One-Tier Structure with a balanced mix of Executive, Non-Executive and Independent Directors from diverse backgrounds. The Board's composition ensures a mix of professionalism, competence, and knowledge, providing effective leadership. The diversity of the Board allows for independent judgment on strategic and performance matters, enhancing the overall decision-making process.

As on 31<sup>st</sup> March 2025, the Board comprises of 9 (Nine) Directors, including 1 (One) Non-Executive & Non-Independent Director, 1 (One) Executive & Whole Time Director, 4 (Four) Nominee Directors, and 3 (Three) Independent Directors. This diverse composition ensures a balanced approach to governance and decision-making.

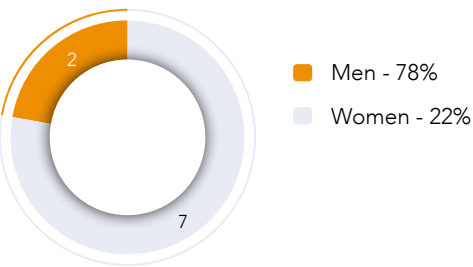


Diversity, Equity and Inclusion:

We are dedicated to offering equal employment opportunities and fostering an inclusive workplace where every employee is treated with respect, care, fairness, sensitivity, and dignity. Workforce diversity is essential to our organization, and we aim to ensure our workforce reflects all sections of society. We believe that this approach will enable us to achieve better business results.

Your organization also recognizes and values Board diversity as essential for maintaining a competitive edge. The Board includes 2 (Two) women directors. This diverse composition helps ensure a broad range of perspectives and effective governance.

Board Diversity:



Separate Role of Chairman, Executive Director and Key Managerial Personnels:

The Chairman's principal responsibility is to act as the Leader for the effective running of the Board and to preside over the meetings of the Board and the Shareholders. The roles and responsibilities of the Chairman of the Board and Executive Director have been demarcated, and the positions are held by separate individuals. Apart from this, the Company also has a separately designated Chief Financial Officer and Company Secretary.

Chairman

- Leads the Board and ensures that it discharges its responsibilities effectively;
- Promotes the highest standards of integrity, probity and governance;
- Chairs the Board meeting and facilitates active engagement of all Directors;

Executive Director

- Leads the management team;
- Develops and executes the corporate strategy in conjunction with the Board;
- Implements the decisions of the Board and its Committees;
- Develops policies and ensures effective implementation; and
- Enhances stakeholder value and implements the organization's vision, mission, and overall direction.

Key Managerial Personnel (KMPs) of the Company include:

- Mr. Rajesh Kumar, Chief Executive Officer & Whole Time Director
- Mr. Amit Gupta, Chief Financial Officer
- Ms. Wageesha Agarwal, Company Secretary

Selection and Appointment of Directors & KMPs:

The Board, with the support of the Nomination and Remuneration Committee (NRC), continuously reviews the composition of the Board and its Committees, competency, diversity, inclusion, and remuneration-related matters. This ongoing evaluation ensures effective governance and alignment with the Company's strategic goals.

The Nominations and Remuneration Committee has established a formal and transparent process for appointing new directors to the Board. Based on below criteria, the Committee makes recommendations to the Board for the induction of new directors:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a Public Limited Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

The criteria for nominating a candidate for directorship has been provided for in the NRC Policy of the Company which can be accessed at [Nomination & Remuneration Policy](#).

Director's Induction and Familiarization:

Board members are provided with essential documents, brochures, reports, and internal policies to help them become familiar with the Company's procedures and practices. A formal and comprehensive induction is given to all new directors, which includes an overview of the Company's operations and the industry it operates in, along with site visits and meetings with Board members and key senior executives such as Business CEOs and CFOs. They are also introduced to the organization's structure, strategy, constitution, policies, and Board procedures.

New Directors undergo a detailed induction and familiarization program when they join the Board. This exhaustive program covers the history and culture of BALCO, the Company's background and growth over the decades, significant milestones, the current structure, and an overview of the businesses and functions.

Succession Planning:

The Company is committed to ensuring robust succession planning for its leadership talent pool. Through effective succession management and planning, the Company identifies and develops future leaders to tackle growth challenges successfully. This approach ensures the systematic and long-term development of individuals, providing a continuous flow of talented people to meet the organization's management needs.

Independent Directors:

Independent Directors bring an element of objectivity to the Board processes and an objective view in the Board deliberations. They provide a valuable outside perspective to the deliberations of the Board and contribute significantly to the decision-making process.

As on 31<sup>st</sup> March 2024, the Board consists of 3 (Three) Independent Directors. The Independent Directors of the Company abide by the definitions/criteria prescribed in the Act Based on the disclosures received from all the Independent Directors and in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act are independent of the Management.

Meeting of Independent Directors:

As per Schedule IV of the Act read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management inter alia to:

- Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluate the performance of the Chairman, considering the views of Executive and Non-Executive Directors.
- Evaluate the performance of the Chief Executive Officer, considering the views of the Non-Executive Directors.

During FY 2024-25, the Independent Directors met without the presence of management 31<sup>st</sup> March 2025. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Additionally, the Independent Directors also met separately with the Statutory Auditors once a year to discuss matters such as key accounting issues, audit plans and to invite their overall feedback.

Databank Registration of Independent Directors:

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22<sup>nd</sup> October 2019, requisite confirmations have been

received from all the Independent Directors of the Company with respect to registration on the Independent Directors’ Databank.

Performance Evaluation:

In accordance with the Act, the Company conducts an annual performance evaluation to enhance the effectiveness of the Board and its Committees. The Board recognizes the benefit of evaluation exercise that provides meaningful insight to Board members on how they can improve their individual and collective contribution to the leadership and effectiveness of the Group.

In line with the previous year, an evaluation was carried out by an external third party through a secured online questionnaire platform to capture the views of each Director. The evaluation was thoughtfully structured yet practical, aimed at fostering genuine discussions on relevant issues, reviewing progress on previously identified matters, and identifying opportunities for improving the Board’s processes. Here are the key points:

Step	Description
Tailored Questionnaires	Prepared by an external agency
Secured Online Platform	Used for providing the responses
Evaluation Results Compilation	Conducted by the external agency without management involvement
Sharing of Evaluation Results	Results are shared with relevant parties
Discussion of Outcome and Feedback	Discussed at the NRC, Separate Meeting of Independent Directors, and Board Meeting
Action Plan Agreement	An action plan is agreed upon based on the feedback

Board as a Whole	Board Committees	Individual Directors	Chairman & Executive Director
Directors assess the overall performance & effectiveness of the Board.	Members evaluate the performance & effectiveness of their respective Committees.	Directors provide feedback on the performance & contributions of their peers on the Board.	Directors assess the performance and leadership of the Chairman & Executive Director.

Outcome of Performance Evaluation:

The evaluation concluded with overall positive ratings and that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. It was indicated that the Board is performing with a suitable mix of expertise that continues to exhibit a collaborative and beneficial mindset, creating a conducive environment at Board meetings for participation and challenge.

The evaluation exercise for the financial year 2024-25 highlighted several key areas for improvement and strategic focus. It was recommended that regular in-person or onsite meetings be held annually to discuss strategy, and that a government nominee be included in the Audit Committee. To enhance decision-making, an agenda, including those of urgent importance, should be discussed in pre-board meetings for better understanding and input. Greater involvement of the Nomination & Remuneration Committee (NRC) Chair was advised prior to presenting senior-level appointment proposals, along with broader consideration of the NRC’s suggestions beyond just KMP appointments and resignations. A dedicated strategy session on business and digital transformation was also suggested, with emphasis on acting upon feedback received. Additionally, it was proposed

that next-level executives be encouraged to present to the Board or its Committees. Overall, project execution and strategy implementation were identified as areas with significant scope for improvement.

Flow of Information to the Board: Meeting of the Board and Committees;

Schedule of meetings and agenda matters:

- The Board meets at regular intervals to discuss and decide on Company policy and strategy, as well as statutory and other matters. These meetings are pre-scheduled, and an annual calendar is circulated to all the Directors well in advance to facilitate planning of their schedule and to ensure meaningful participation in the meetings. However, in the case of business exigencies/urgencies resolutions are passed through circulation or additional meetings are conducted;
- Board and Committee Meetings are governed by structured agendas. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary, in consultation with the Senior Management prepares the detailed agenda for the meetings.

Circulation of Agenda:

- The Agenda is finalized by the CS, in discussion with the CEO & CFO.
- All the Agenda papers are disseminated electronically on a real-time basis. The papers are uploaded on a secure online platform specifically designed for this purpose, thereby eliminating circulation of printed agenda papers. The online platform also enables the Board to access the historical agendas, minutes, constitutional documents, Committee charters etc. It enables the participants to make notes and exchange notes amongst each other in a secured environment

Information presented at meetings:

- The Board business generally includes consideration of important actions and events. Detailed presentations are made at the Board and Committee meetings covering finance and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and risk management practices before taking on record the quarterly/half-yearly/annual financial results of the Company.

Conduct and recording of meetings:

- Majority of the meetings are conducted as physical meetings, however, at times, it may not be possible for each one to be physically present at all meetings. Hence, we provide the facility of video conferencing/telepresence to the members and invitees at various locations;
- All the meetings conducted through telepresence are recorded and stored as per statutory requirements. The CS records minutes of all the Board and Committee meetings.

Post meeting Summary/Follow up:

- Various decisions taken at Board/Committee meetings are promptly communicated to the concerned departments/ divisions;
- Draft minutes and signed minutes are circulated to Board/ Committee members within the timelines prescribed under Secretarial Standards;
- The matters arising from the previous meetings are taken up at the respective forthcoming Board/Committee meeting.

Remuneration to the Board & Executive:

The Executive Directors’ remuneration is based upon the industry practice and benchmarks considering the experience, skill, knowledge and job responsibilities. The remuneration of the Executive Directors is also governed by the agreements executed with them, subject to the approval of the Board and of the shareholders in general meetings, if necessary. The Company has granted but not vested stock option to its Executive Director.

The Non-Executive & Independent Directors are paid remuneration by way of commission and sitting fees. The Board decides the payment of commission within the limits approved by the Shareholders subject to the limit not exceeding 1% of the net profits of the Company. The Company pays sitting fees of ₹ 50,000/- per meeting of the Board and ₹ 25,000/- per meeting of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, to the Non-Executive & Independent Directors. Further, it may be noted that no stock options were issued to the Non Executive & Independent Directors during the year.

Remuneration paid or payable to Directors for the year ended 31<sup>st</sup> March 2025

Name of the Director	Category*	Sitting Fees	Salary & Perquisites	Commission to Independent & non-executive directors	Stock Option	Total
Mr. S K Roongta	ID & NED	3,75,000	-	16,00,000	-	19,75,000
Mr. DD Jalan	ID & NED	3,25,000	-	15,23,000	-	18,48,000
Mr. A. K. Mittal	ID & NED	2,50,000	-	14,70,000	-	17,20,000
Mr. Tarun Jain	NED	3,25,000	-	14,70,000	-	17,95,000
Mr. Rajesh Kumar	CEO & WTD	-	4,08,11,181	-	-	4,08,11,181
Ms. Nirupama Kotru	GND	-	-	-	-	-
Ms. Farida Naik	GND	-	-	-	-	-
Mr. Mustaq Ahmad <sup>1</sup>	GND	-	-	-	-	-
Mr. Maneesh Kumar <sup>2</sup>	GND	-	-	-	-	-
Mr. Sanjeev Verma <sup>1</sup>	GND	-	-	-	-	-
Mr. Vivek Kumar Sharma <sup>2</sup>	GND	-	-	-	-	-

\*ID – Independent Director, NED – Non-executive Director, CEO – Chief Executive Officer, WTD – Whole Time Director, GND – Government Nominee Director

- Appointment of Mr. Mustaq Ahmad (DIN-08630622) as Government Nominee Director w.e.f. 29<sup>th</sup> July 2024 in place of Mr. Sanjeev Verma (DIN-08836996) following his resignation from the office dated 29<sup>th</sup> July 2024;
- Appointment of Mr. Maneesh Kumar (DIN-10724088) as Government Nominee Director w.e.f. 30<sup>th</sup> July 2024, in place of Mr. Vivek Kumar Sharma (DIN-10101407) following his resignation from the office dated 23<sup>rd</sup> July 2024.






















There are no material pecuniary relationships or transactions between the Independent Directors and the Company, except for sitting fees and commissions drawn by them for attending the meeting of the Board and Committee(s) thereof. None of the Non-Executive Directors hold any shares or convertible instruments in the Company. During FY 2024-25, the Company did not advance any loans to any of its directors.

Board Committees:

The Board has established various sub-committees to maintain strong business fundamentals and achieve high performance by

focusing on significant Company affairs across all regions. Each Committee is formally approved by the Board and operates under a charter that clearly outlines its purpose, roles, and responsibilities. The Chairman of each Committee provides the Board with a summary of the discussions from the Committee meetings. The minutes of these meetings are reviewed and noted by the Board. The Company Secretary acts as the Secretary for these Committees. All Statutory Committees are chaired by Independent Directors. All the Statutory Committees of the Board are chaired by Independent Directors.

Composition of Committees as on 31<sup>st</sup> March 2025

Name of the Director	Board	Audit Committee Meeting	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Relationship with other Director	No. of Directorship in Public Companies <sup>#</sup>	No. of Committee Position held*	
							Chairman	Member
Mr. S. K. Roongta					None	10	2	8
Mr. DD Jalan					None	4	4	7
Mr. A. K. Mittal					None	9	1	16
Mr. Tarun Jain					None	1	-	2
Mr. Rajesh Kumar					None	2	-	1
Ms. Nirupama Kotru					None	3	-	3
Ms. Farida Naik					None	1	-	-
Mr. Mustaq Ahmad					None	1	-	-
Mr. Maneesh Kumar					None	1	-	-

 Chairman   Member

<sup>#</sup> Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorship.

\*No Director is a member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees (Audit and Stakeholders’ Relationship Committees) across all companies they serve. Directors have disclosed their Committee positions in other companies and do not hold directorships in more than 10 Public companies as of March 31, 2025. (Chairmanship is also counted for membership)

Board and Committee Meetings held during FY 2024-25:

Meeting	Q1 (Apr - Jun)	Q2 (Jul - Sept)	Q3 (Oct - Dec)	Q4 (Jan - Mar)	Total Meetings for FY 2024-25
Board	19 <sup>th</sup> April 2024	05 <sup>th</sup> August 2024	18 <sup>th</sup> October 2024	22 <sup>nd</sup> January 2024	4
Audit Committee	19 <sup>th</sup> April 2024	05 <sup>th</sup> August 2024	18 <sup>th</sup> October 2024	22 <sup>nd</sup> January 2024	4
Nomination & Remuneration Committee	18 <sup>th</sup> April 2024	-	-	-	1

Meeting	Q1 (Apr - Jun)	Q2 (Jul - Sept)	Q3 (Oct - Dec)	Q4 (Jan - Mar)	Total Meetings for FY 2024-25
Corporate Social Responsibility Committee	18 <sup>th</sup> April 2024	-	18 <sup>th</sup> October 2024	-	2

The maximum interval between any two Board meetings did not exceed 120 days, as prescribed in the Act.

Attendance for Board and Committee Meetings held during FY 2024-25:

Name of the Director	Whether attended AGM On 27 <sup>th</sup> June 2024	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Total Meetings entitled	Total Meetings attended	Average (%)
		(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)			
Mr. S. K. Roongta	No	4/4	4/4	1/1	2/2	11	11	100%
Mr. DD Jalan	Yes	4/4	4/4	1/1	-	9	9	100%
Mr. Tarun Jain	No	4/4	4/4	1/1	-	9	9	100%
Mr. A. K. Mittal	Yes	4/4	-	-	2/2	6	6	100%
Mr. Rajesh Kumar	Yes	4/4	-	-	2/2	6	6	100%
Ms. Farida Naik	No	3/4	-	-	-	4	3	75%
Ms. Nirupama Kotru	No	3/4	-	-	1/2	6	4	67%
Mr. Mustaq Ahmad	-	1/3	-	-	-	3	1	33%
Mr. Maneesh Kumar	-	3/3	-	-	-	3	3	100%
Mr. Sanjeev Verma	No	0/1	-	-	-	1	0	-
Mr. Vivek Kumar Sharma	No	1/1	-	-	-	1	1	100%

Pursuant to Section 167 of the Act, a Director shall incur disqualification if he/she does not meet the minimum attendance criteria and absents himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. All Directors of the Company have duly met the attendance criteria during FY 2024-25.

Changes in Directors/Key Managerial Personnel (“KMP”) of the Company during FY 2024-25:

- took note of appointment of Mr. Maneesh Kumar (DIN-10724088) as Government Nominee Director w.e.f. 30<sup>th</sup> July 2024, in place of Mr. Vivek Kumar Sharma (DIN-10101407) following his resignation from the office dated 23<sup>rd</sup> July 2024;
- took note of appointment of Mr. Mustaq Ahmad (DIN-08630622) as Government Nominee Director w.e.f. 29<sup>th</sup> July 2024 in place of Mr. Sanjeev Verma (DIN-08836996) following his resignation from the office dated 29<sup>th</sup> July 2024.

I. Audit Committee:

Your Company has an Audit Committee at the Board level which acts as a link between the management, the Statutory and the Internal Auditors and the Board of Directors and oversees the financial reporting process. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act. The Committee comprises of 3 (Three) Non-Executive Directors, out of which 2 (Two) are Independent Directors.

The Audit Committee of the Board, inter-alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:




- efficiency and effectiveness of operations;
- safeguarding of assets and adequacy of provisions for all liabilities;
- reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

The Board has accepted all recommendations made by the Audit Committee during the year.

The meetings of the Audit Committee are also attended by the Chief Executive Officer, Chief Financial Officer, Statutory Auditor, and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. Other invitees are invited on a need basis to brief the Audit Committee on important matters.

During the financial year ended 31<sup>st</sup> March 2025, 4 (Four) Audit Committee Meetings were held on the following dates: 19<sup>th</sup> April 2024, 5<sup>th</sup> August 2024, 18<sup>th</sup> October 2024, and 22<sup>nd</sup> January 2025. The Board has accepted all recommendations made by the Audit Committee. The composition details & attendance record of the Audit Committee are given in Table 1.

Table 1: Composition Details & Attendance Record of Audit Committee meeting:

Name of Member	Position	Status	No. of Meeting held	No. of Meeting Attended	Sitting Fees (₹)
Mr. Dindayal Jalan		Independent Director	4	4	1,00,000
Mr. Tarun Jain		Non-Executive Director	4	4	1,00,000
Mr. Sushil Kumar Roongta		Independent Director	4	4	1,00,000

 Chairman  Member

The role and terms of reference of the Audit Committee are set out in Section 177 of the Act, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible;
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by them;
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with reference to:
  - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgement by management
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Approval of related party transactions;
  - Qualifications if any in the draft statutory auditor report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Reviewing the adequacy of Internal Audit plan;

- Discussion with Internal Auditors on any significant findings and follow up thereof;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
- To investigate the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors, if any;
- Reviewing the functioning of the whistle-blower mechanism;
- Appointment of the Chief Financial Officer of the Company;
- Carrying out any other function, as is mentioned in the terms of reference of the Audit Committee;

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management Discussion and Analysis of Financial Condition and Result of Operations;
- Statement of Significant Related Party Transactions (as defined by the Audit Committee) submitted by the management;
- Internal Control Weakness as identified by Statutory Auditors;
- Internal Auditor Report relating to Internal Control Weaknesses;

The Audit Committee is also appraised on information regarding related party transactions by being presented with:

- A Statement in summary form of transactions with related parties in the ordinary course of business;
- Details of material individual transactions with related parties;
- Details of material individual transactions with related parties or others which are not on an arm's length basis along with the management justification for the same.

All related party transactions are pre-approved by the Audit Committee. During the year all transaction(s) with related parties were at arm's length and in the ordinary course of business and there was no significant material transaction with any of the related parties of the Company.

II. Nomination and Remuneration Committee:




The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity, and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of the Nomination and Remuneration Committee, inter alia, includes: -

- Determine/recommend the criteria for appointments of Executive, Non-Executive and Independent Directors to the Board;

- Determine/recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension, etc.;
- Formulate criteria and carry out evaluation of each Director's performance and the performance of the Board as a whole.

During the financial year ended 31<sup>st</sup> March 2025, the Nomination & Remuneration Committee met 1 (One) time i.e., on 18<sup>th</sup> April 2024. The composition details & attendance record of the Nomination and Remuneration Committee are given in Table 2.

Table 2: Composition Details & Attendance Record of Nomination and Remuneration Committee Meeting:

Name of Member	Position	Status	No. of Meeting held	No. of Meeting Attended	Sitting Fees (₹)
Mr. Dindayal Jalan		Independent Director	1	1	25,000
Mr. Sushil Kumar Roongta		Independent Director	1	1	25,000
Mr. Tarun Jain		Non-Executive Director	1	1	25,000

 Chairman  Member

The Committee expressed its overall satisfaction with the performance of the individual Board members and the Board in totality.





III. Corporate and Social Responsibility Committee

The role of Corporate Social Responsibility (CSR) Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be

incurred on CSR activities of the Company, and reviewing the performance of the Company in CSR. The detailed terms of reference of the CSR Committee are contained in the 'CSR Policy' which is available on the website of the Company at [CSR Policy](#).

During the financial year ended 31<sup>st</sup> March 2025, the Committee met 2 (Two) times on 18<sup>th</sup> April 2024 and 18<sup>th</sup> October 2024. The composition details and attendance record of CSR Committee meetings are given in Table 3.

Table 3: Composition Details & Attendance Record of Corporate Social Responsibility Committee meeting:

Name of Member	Position	Status	No. of Meeting held	No. of Meeting Attended	Sitting Fees (₹)
Mr. Sushil Kumar Roongta		Independent Director	2	2	50,000
Mr. Rajesh Kumar		CEO and Whole Time Director	2	2	-
Mr. Anoop Kumar Mittal		Independent Director	2	2	50,000
Ms. Nirupama Kotru		Government Nominee Director	2	2	-

 Chairman  Member



The Committee oversees, inter-alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company.

During the financial year, the Company spent ₹17.95 Cr. on CSR activities.

IV. Finance Standing Committee

The Finance Standing Committee (FSC) of Directors is entrusted with the responsibility to consider and approve

the finance and treasury-related proposal within the overall limits approved by the Board. The Committee comprises Mr. Tarun Jain as Chairman and Mr. Rajesh Kumar, CEO and Whole Time Director as a Member of FSC. The Committee meets as and when required.

V. Project Sub-Committee

The Project Sub-Committee is a voluntary committee of the Board of the Company formed during the year. The Committee is entrusted with the responsibility to review the progress of the ongoing expansion Project of the Company and report the same to the Board. The Committee comprises Mr. A. K. Mittal as Chairman and Mr. Rajesh Kumar and Mr. DD Jalan as members. The Committee meets as and when required.

Engagement with Shareholders

The Company remains committed to maintaining transparent, timely, and effective communication with its shareholders. We recognize shareholders as key stakeholders and strive to ensure their rights are protected. Regular updates are provided through annual general meetings and/or extra-ordinary general meetings. Our governance framework is designed to uphold accountability, fairness, and long-term value creation for our shareholders.

General Body meeting: Location and time, where last three AGMs were held:

FY ended on	Date	Time	Venue	Special Resolution passed
31 <sup>st</sup> March 2024	27 <sup>th</sup> June 2024	03.30 PM	Through video conferencing ("VC")	1. Appointment of Mr. Dindayal Jalan (DIN:00006882) as an Independent Director of the Company.  2. Appointment of Mr. Anoop Kumar Mittal (DIN: 05177010) as an Independent Director of the Company.
31 <sup>st</sup> March 2023	27 <sup>th</sup> June 2023	03.30 PM	Through video conferencing ("VC")	1. Appointment of Mr. Rajesh Kumar (DIN:09586370) as a Director of the Company.  2. Appointment of Mr. Rajesh Kumar (DIN:09586370) as a Whole Time Director of the Company.  3. To approve waiver of excess remuneration paid to Mr. Abhijit Pati (DIN:08457230).
31 <sup>st</sup> March 2022	27 <sup>th</sup> June 2022	03:30 PM	Through video conferencing ("VC")	-

The 59<sup>th</sup> Annual General Meeting of the members of the Company will be on Thursday, 27<sup>th</sup> June 2025, at 3:30 P.M. through video conferencing ("VC") / other audio-visual means ("OAVM") pursuant to the General Circular no. 09/2024 dated September 19, 2024 ("MCA Circular") and as such there is no requirement to have a venue for the AGM.

General Body meeting: Location and time Extra-ordinary General Meeting was held:

FY ended on	Date	Time	Venue	Special Resolution passed
During the FY 2024-25	09 <sup>th</sup> September 2024*	03.30 PM	Through video conferencing ("VC")	1. Re-appointment of Mr. S. K. Roongta (DIN-00309302) as an Independent Director & Chairman of the Board of the Company.  2. Increase in Borrowing limits of the Company under Section 180 (1)(c) of the Companies Act, 2013.  3. Creation of charge on the properties of the Company to secure borrowings under Section 180(1)(a) of the Companies Act, 2013.

\*Due to unforeseen and unavoidable circumstances, the Extra-ordinary General Meeting of Bharat Aluminium Co Ltd which was originally scheduled for Monday, 2<sup>nd</sup> September 2024 was held on Monday, 09<sup>th</sup> September 2024 at 03:30 p.m.

Governance and Compliance

I. Code of Business Conduct & Ethics

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and Employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The code reflects the core values of the Company viz. Integrity, Respect, Entrepreneurship, Care, Innovation, Trust, and Excellence.

II. Whistle Blower Policy

Your Company is committed to the highest standards of ethical, moral, and legal business conduct. The Company has in place a Whistle Blower Policy, as part of vigil mechanism which provides appropriate avenues to the Directors and employees to bring to the attention of the management instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Company's Code of Conduct that could adversely impact on the Company's operations, business performance and/or reputation.

The Audit Committee has laid down certain procedures governing the receipt, retention, and treatment of complaints regarding the Company's accounting, internal accounting controls or auditing matters, and protecting the confidential, anonymous reporting by Director(s) or employee(s) or any other person regarding questionable accounting or auditing matters.

The Company also has a designated Email id - [balco.whistleblower@vedanta.co.in](mailto:balco.whistleblower@vedanta.co.in) for reporting complaints. Further, the complaints can also be lodged on the web-based portal [www.vedanta.ethicspoint.com](http://www.vedanta.ethicspoint.com).

The Whistle Blower Policy forms part of the Code of Business Conduct and Ethics, and the same has been displayed on the Company's website at <https://www.balcoindia.com>. It is also affirmed that no personnel have been denied access to the Audit Committee.

III. Internal Control System

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls (IFC) have been laid down in the Company and that such controls are adequate and operating effectively.

The Company has IFC framework, commensurate with the size, scale, and complexity of its operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The controls based on the prevailing business conditions and processes have been tested during the year and no reportable material weakness in the design or effectiveness was observed. The framework of IFC over Financial Reporting has been reviewed by the internal and external auditors.

The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee. The Internal Audit team develops an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan.

Your Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the

Annexure I -

CEO & CFO Certification

We, Rajesh Kumar, Chief Executive Officer & Whole Time Director and Amit Gupta, Chief Financial Officer, certify that:

- A. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March 2025 and that to the best of our knowledge and belief:

(1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) These statements together present a true and fair view of the Company's affairs and are in-compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered-into by the Company during the year under review which are fraudulent, illegal, or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not noticed any deficiency in the design of operation of such internal controls, or of which we are aware that needs to be rectified or informed to the Auditors and the Audit Committee.
- D. During the year it was disclosed to the Auditors and the Audit Committee that:

(1) There were no significant changes in internal control over financial reporting;

(2) No significant changes in accounting policies were made during the year; and

(3) We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the financial statements.

Rajesh Kumar  
Chief Executive Officer & WTD

Amit Gupta  
Chief Financial Officer

Place: New Delhi  
Date: 22<sup>nd</sup> April 2025

Operations

- I. Korba

i. 2.45 -LTPA pre-bake Aluminium smelter

ii. 3.25 -LTPA pre-bake Aluminium smelter

iii. 810-MW Captive power plants, comprising 4x67.5-MW (270-MW - under suspension) and 4x135-MW (540-MW) units

iv. 1200 MW TPP (2x300 CPP & 2x300 IPP)
- II. Bauxite Mines at Bodai Daldali (Kabirdham District) & Mainpat Mines (operations currently being suspension)
- III. Chotia coal block (operated and exhausted the coal reserves) and an unexplored coal block Barra

Address of Correspondence

Ms. Wageesha Agarwal

Company Secretary  
Bharat Aluminium Company Limited  
Aluminium Sadan, Scope Office Complex, Core-6,  
7 Lodhi Road, New Delhi 110003

Risk Management Committee periodically to ensure that management controls risk through means of properly defined framework. The Audit Committee of the Company also reviews the risk matrix and mitigation plan on a half-yearly basis.

IV Risk Mitigation Plan

Your Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Risk Management Committee quarterly to ensure that management controls risk through means of properly defined framework. The Audit Committee of the Company also reviews the risk matrix and mitigation plan half-yearly.

V. Compliance

Our compliance systems cover a multitude of statutory obligations and ensure adherence to all applicable laws and regulations. During FY 2024-25, no material and uncontested financial or non-monetary sanctions were imposed upon the Company except as disclosed in the Financial Statements. Some of the key compliance aspects are dealt with below:

(a) Disclosure of Related Party Transactions:

Pursuant to Section 177, read with Section 188 of the Act, all the related party transactions were at arm's length price and in ordinary course of business. All transactions with the related parties were duly approved by the Audit Committee.

(b) Disclosure of Accounting Treatment in Preparation of Financial Statements:

The Company follows the guidelines of Accounting Standards referred to in Section 133 of Act read with Rule 7 of the Companies (Accounts) Rules, 2014 together with early adoption of Accounting Standard (AS) 30 'Financial instruments: Recognition and Measurement' and the consequential limited revisions to certain Accounting Standards issued by the Institute of Chartered Accountants of India.

(c) CEO & CFO Certificate:

The CEO and CFO certification of the Financial Statements for FY 2024-25 is enclosed at the end of this report as [Annexure I](#).

Shareholding Pattern by Ownership as on March 31, 2025

Category of Shareholders		No. of Shares Held	% of Total Shares
A Promoter's Holding	1 Indian promoter-Vedanta Ltd.	1,12,518,495	51.00
	Sub Total	1,12,518,495	51.00
B Non-Promoter Holding	2 Non-Institutional		
	a) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-
	b) Central Govt.	1,08,106,005	49.00
	Sub-total	1,08,106,005	49.00
	Grand Total	2,20,624,500	100.00





# Financial Statements

04-21

► Know BALCO

22-113

► Business Overview

114-179

► Statutory Reports

180-267

► **Financial Statements**

## Independent Auditor's Report

To the Members of **Bharat Aluminium Company Limited**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Bharat Aluminium Company Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, 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, 2025, 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 Annual report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that 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 except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g).
  - (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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g).
  - (g) 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;

- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 28 and 41 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 to the financial statements, no funds have been received by the Company from any person(s) or entities, 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.
- 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 except that, audit trail feature for direct changes to data in certain database tables was enabled for part of the year from March 03, 2025, as described in note 51 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software. Additionally, the audit trail of relevant prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective year, as stated in note 51 to the financial statements.

For **S.R. Batliboi & Co LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**per Pramod Kumar Bapna**  
Partner  
Membership Number: 105497  
UDIN: 25105497BMKUXP3453  
Place of Signature: New Delhi  
Date: April 22, 2025



Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

To the Members of Bharat Aluminium Company Limited

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

- (i)

(a)

(A)

The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B)

The Company has maintained proper records showing full particulars of intangibles assets.
- (b)

All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c)

The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the financial statements are held in the name of the Company except for 1 immovable property as indicated in the below mentioned case as at March 31, 2025 for which title deeds were not available with the Company and hence we are unable to comment on the same.

Description of Property	Gross carrying value- as at March 31, 2025 Rs. In Crores	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company, Also indicate if in dispute
Freehold Land	0.02	National Thermal Power Corporation Ltd (NTPC)	No	Since 20 <sup>th</sup> June 2002, as informed by management	206.18 acres of freeholds land transferred to the Company by NTPC is yet to be registered in favour of the Company. We have been informed by management that this is due to non-availability of title deeds with NTPC. 'In this matter, arbitration was held where the Ld. Arbitrator passed the award in favour of the Company but directed that transfer of title deeds of land will be effected by the Central Government with the assistance of State Government. The Company has filed a petition before the Hon'ble Delhi High Court for transfer of title.

- (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, 2025.
- (e)

There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)

(a)

Physical verification of inventory has been conducted at reasonable intervals during the year by the management except for inventories lying with third parties. In our opinion, the coverage and procedure for such verification by the management is appropriate. Inventories lying with third parties have been confirmed by such third parties as at March 31, 2025. There were no discrepancies of 10% or more noticed, in aggregate for each class of inventory.

- (b)

As disclosed in note 24 to the financial statements, the Company had been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company.
- The Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

- (iii)

(a)

The Company has made investments in companies and granted loans to employees aggregating Rs.195 Crores and Rs.0.93 Crores respectively and aggregate balances outstanding as at March 31, 2025 were Rs.343.32 Crores and Rs.0.08 Crores respectively. The Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other party during the year.

(b)

During the year, the investments made by the Company and terms and conditions of the grant of loans given to employees are not prejudicial to the Company's interest. Also, during the year, the Company has not provided any guarantees or security to companies, firms, limited liability partnerships or any other party.

(c)

The Company has granted loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.

(d)

There are no amounts of loans granted to employees which are overdue for more than ninety days.

(e)

There were no loans granted to employees which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f)

The Company has not granted any loans, either repayable on demand or without specifying any terms or period of repayment to employees. Therefore, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.
- (iv)

The Company has complied with the provisions of Sec 185 and 186 in respect of investments to which these provisions are applicable. There are no loans, guarantees and security in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.

- (v)

The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Therefore, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi)

We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of Company's products and generation of electricity and are of the opinion that, prima facie, specified accounts and records have been made and maintained. We have, however, not made a detailed examination of the same.
- (vii)

(a)

The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, 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.

- (b)

The dues of the 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 that have not been deposited on account of any dispute are as set out in the attached Annexure 1(a) together with relevant details.
- (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 willful defaulter by any bank or financial institution or government or any government authority.

(c)

Term loans were applied for the purpose for which the loans were obtained.
- 184
- 185

- (d) On an overall examination of the financial statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Therefore, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided to us by the management, we report that no fraud by the Company or no material fraud on the Company by officers and employees of the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor or secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clause 3(xii)(a) (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the notes to the financial statements, as required by applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of this audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) to (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the Company during the year, and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 48 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial

statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of our audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Therefore, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in accordance of provision of sub section 6 of section 135 of the Act. Therefore, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**per Pramod Kumar Bapna**  
Partner  
Membership Number: 105497  
UDIN: 25105497BMKUXP3453  
Place of Signature: New Delhi  
Date: April 22, 2025



**Annexure 1(a)** referred to in paragraph (vii)(b) of Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
Chhattisgarh Upkar (Sanshodhan) Adhiniyam, 2004 (Chhattisgarh Amendment Act, 2004)	Demand for Energy Development Cess	1,300.77	FY 2004-05 till date	Supreme Court of India	34.54
The Electricity Act, 2003	Demand for Cross Subsidy along with interest by Chhattisgarh State Electricity Regulatory Commission under CSERC (Connectivity & Intra State Open Access) Regulations, 2011	268.30	October 2015 to March 2025	Appellate Tribunal For Electricity Act, New Delhi	-
Chhattisgarh Electricity Duty Act, 1949 and Chhattisgarh Electricity Duty Rules, 1949	Demand for Electricity Duty & Interest as part of Contract Demand matter	49.61	FY 1987-88 to FY 2022-23	High Court of Chhattisgarh, Bilaspur	
Chhattisgarh Electricity Duty Act, 1949 and Chhattisgarh Electricity Duty Rules, 1949	Demand for Electricity Surcharge	2.00	Till FY 2015-16	Chief Electrical Inspector (CEI), Department of Energy, Chhattisgarh	
The Mines and Minerals (Development and Regulation) Act, 1957	Demand on account of Royalty on excess extraction of bauxite from bauxite mines	45.00	FY 2007-08 and 2008-09	The Mines Collector, Mining Division, Chhattisgarh	-
The Forest Conservation Act, 1995	Demand for penalty for using the forest land for non-forest purposes	156.00	Till FY 2006-07	Supreme Court of India	-
Chhattisgarh Municipal Limits Rules, 1996	Demand for State Terminal Tax	16.00	From FY 2001-02 to FY 2006-07	Supreme court of india	-
The Chhattisgarh Transit (Forest Produce) Rules, 2001	Demand on account of Transit fees payable for Bauxite mine considering it to be forest produce.	1.02	From FY 2007-08 to FY 2011-12	High Court of Chhattisgarh, Bilaspur	-
Chhattisgarh Entry Tax Act, 1976	Demand on account of Non-Payment of Entry Tax on material purchased for setting up of new plant.	114.42	From FY 2010-11 to FY 2013-14	High Court of Chhattisgarh, Bilaspur	-
Chhattisgarh Entry Tax Act, 1976	Demand on account of Non-Payment of Entry Tax on import of goods.	5.00	FY 2016-17	High Court of Chhattisgarh, Bilaspur	1.25
Central Excise Act, 1944	Demand for excess CENVAT Credit claimed under Rule 6 of the CENVAT Credit Rules.	40.38	From FY 2010-11 to FY 2016-17	Commissioner, Central GST & Central Excise Commissionerate	-
Chhattisgarh VAT Act, 2003	Demand for excess input credit used for sale of power vis-à-vis on goods sent to branches outside state.	0.24	Till FY 2014-15	Tribunal, Commercial Tax Department	-
West Bengal VAT Act, 2005	Demand for VAT on short disclosure of stock transfer in sales tax return.	0.04	FY 2006-07	Tribunal, Commercial Tax Department	-

Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
West Bengal VAT Act, 2005	Demand on account of non submission of C forms for sale of goods.	0.01	FY 2011-12	Tribunal, Commercial Tax Department	-
Chhattisgarh VAT Act, 2003	Demand on account of excess input credit on various matters.	3.88	FY 2011-12	Tribunal, Commercial Tax Department	-
The Finance Act, 1994	Demand on account of Service Tax on right to use of natural resources (Water).	14.59	April 2016 to June 2017	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi	0.55
The Finance Act, 1994	Demand for levy of Service Tax on Liquidated Damages collected from transporters.	2.07	April 2013 to June 2017	Office of the Commissioner (Appeals), Customs, Central Excise and Service Tax	0.10
Goods and Service Tax, 2017	Demand for difference in GST input credit of GSTR1 and GSTR 3B.	0.47	For the Month of September 2018	Commissioner, Central GST & Central Excise Commissionerate, Raipur	0.08
Goods and Service Tax, 2017	Demand on account of violation of Pre-Import Condition for Export Licenses	397.07	October , 2017 to January 2019	Office of Commissioner Of Customs, Mumbai Zone	3.49
Goods and Service Tax, 2017	Demand for difference in GST input credit of GSTR2A and GSTR 3B.	115.96	FY 2018-19 and FY 2019-20	High Court of Chhattisgarh, Bilaspur	10.07
Goods and Service Tax, 2017	Demand for disallowance of refund of GST Compensation Cess	0.94	August-2019	High Court of Chhattisgarh, Bilaspur	0.14
Goods and Service Tax, 2017	Demand on account of difference in output tax liability between GSTR-1 and GSTR 3B	0.02	July 2017 to March 2018	Joint Commissioner CGST Faridabad	
Goods and Service Tax, 2017	Demand on account of Transitional Input credit availed on the basis of manual filed excise returns.	0.31	July 2017 to March 2018	Commissioner, Central GST & Central Excise Commissionerate, Raipur	2.28
Income Tax Act, 1961	Demand for short payment of interest	0.10	AY 2002-03	High Court of Chhattisgarh, Bilaspur	-
Income Tax Act, 1961	Demand for short payment of interest	0.10	AY 2011-12	Income Tax Appellate Tribunal (ITAT), New Delhi	-
Income Tax Act, 1961	Demand on account of Non-deduction of Withholding tax on foreign remittances	0.78	AY 2014-15	Commissioner of Income-tax (Appeals)	-
Income Tax Act, 1961	Demand on account of Short deduction of TDS and other matters	0.34	AY 2008-09 to AY 2018-19 and AY 2021-22	Dy. Commissioner of Income-tax (TDS), Raipur	-

Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
Income Tax Act, 1961	a)Demand on account penalty of Rs 574.33 Cr U/S 271(1) (C) against original demand confirmed u/s 263 for AY 15-16. b)Demand amounting to Rs 5.97 Crs of Income Tax on account of Transfer Pricing adjustment u/s 92CA related to Section 80IA on transfer of power for smelter consumption.	580.31	AY 2015-16	Commissioner of Income-tax (Appeals)	
Income Tax Act, 1961	Demand on account of Non-deduction of Withholding tax on foreign remittances	2.23	AY 2020-21	Commissioner of Income-tax (Appeals)	
Central Excise Act, 1944	Disallowance of CENVAT input credit availed on insurance services	0.95	FY 2011-12 to June 2017	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi	0.04
Central Excise Act, 1944	Disallowance of CENVAT credit availed on Inter-unit transactions of the Company	36.25	FY 2011-12 to June 2017	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi	1.36
Goods and Service Tax, 2017	Demand on account of excess GST ITC availed in GSTR-2A and short reversal of input credit for exempt income as per Rule 42 of ITC reversal	175.67	July 2017 to March 2018	High Court of Chhattisgarh, Bilaspur	
The Finance Act, 1994	Service Tax Demand on account of deemed mining services given to CMDC.	20.29	FY 2007-08 to FY 2011-12	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi	0.76
Income Tax Act, 1961	Demand of Income Tax on account of Transfer Pricing adjustment u/s 92CA related to Section 80IA on transfer of power for smelter consumption.	325.45	AY 2014-15	Commissioner of Income-tax (Appeals)	
Goods and Service Tax, 2017	GST demand on account of excess input credit in GSTR-2A and short reversal of input credit for exempt income as per Rule 42 of ITC reversal and other various matters.	310.18	FY 2018-19	High Court of Chhattisgarh, Bilaspur	15.45
Goods and Service Tax, 2017	Demand on account of short reversal of input credit for exempt income as per Rule 42 of ITC reversal and other various matters.	4.02	FY 2020-21	Joint Commissioner, GST Department, Bilaspur, Chhattisgarh	-

Name of the statute	Nature of the dues	Amount (₹ in Crs)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest (₹ in Crs)
Goods and Service Tax, 2017	GST demand on account of excess input credit in GSTR-2A and short reversal of input credit for exempt income as per Rule 42 of ITC reversal and other various matters.	223.62	FY 2019-20	High Court of Chhattisgarh, Bilaspur	4.43
Goods and Service Tax, 2017	GST Demand through DRC-01 on account of excess input credit in GSTR-2Aand Non-payment of interest for DRC-03 payments.	0.42	FY 2017-18 to FY 2020-21	Office of Commissioner of Central GST, Delhi	-
Goods and Service Tax, 2017	Demand on excess refund claimed related to GST Compensation Cess on account supply of electricity to Township and common power from 540 MW PP	0.77	December 2021 to March 2022, June 2020, October 2022, February 2023 to March 2023, June 2023 to December 2023	GST Appellate Tribunal, Chhattisgarh	0.14
Goods and Service Tax, 2017	GST demand on account of short payment of RCM on Carriage outwards, director sitting fees and on Corporate Guarantee.	0.04	FY 2020-21	Deputy Commissioner, GST Department, Kolkata	-
Central Excise Act, 1944	Disallowance of Cenvat Credit taken on the basis of supplementary invoices raised by M/s SECL, barred in view of Rule 9(1)(b) of CCR,2004.	6.51	March 2011 to February 2013	High Court of Chhattisgarh, Bilaspur	-
Central Excise Act, 1944	Disallowance of CENVAT credit of service tax paid on mining services availed for bauxite mines	35.19	FY 2006-07 till February 2011 FY 2011-12 till January 2023 January 2015 to October 2016	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi	-
Income Tax Act, 1961	Income Tax demand on account of Disallowance of other income as 80IA claim Assessment order u/s 254 with respect to 143(3) of the Act was passed dated 21.03.2025 and mismatch in Tax credit with respect to TDS, TCS and Advance tax	1.88	AY 2010-11	Income Tax Appellate Tribunal (ITAT), New Delhi	-



Annexure 2 to the Independent Auditor’s Report of Even Date on the Financial Statements of Bharat Aluminium Company Limited

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

We have audited the internal financial controls with reference to financial statements of Bharat Aluminium Company Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March

31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI..

For **S.R. Batliboi & Co LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**per Pramod Kumar Bapna**  
Partner  
Membership Number: 105497  
UDIN: 25105497BMKUXP3453  
Place of Signature: New Delhi  
Date: April 22, 2025

# Balance Sheet

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipments	4	9,920.35	9,423.85
(b) Capital work-in-progress	4	7,358.85	4,136.81
(c) Other Intangible assets	4	13.96	0.51
(d) Exploration intangible assets under development	5	86.43	16.69
(e) Financial assets			
Investments	6	343.32	148.32
Trade receivables	7	125.55	116.22
Loans	8	0.08	0.08
Other Financial Assets	9	59.26	94.48
(f) Income tax assets (net)	39	-	61.29
(g) Other assets	10	319.81	635.87
<b>Total non-current assets</b>		<b>18,227.61</b>	<b>14,634.12</b>
<b>Current assets</b>			
(a) Inventories	11	1,439.21	1,281.61
(b) Financial assets			
Investments	12	1,040.34	-
Trade receivables	13	123.40	324.87
Cash and cash equivalents	14	194.48	281.75
Loans	15	0.60	0.64
Derivatives	44	92.20	8.18
Others	16	78.27	57.93
(c) Other assets	17	205.81	264.98
<b>Total current assets</b>		<b>3,174.31</b>	<b>2,219.96</b>
<b>TOTAL ASSETS</b>		<b>21,401.92</b>	<b>16,854.08</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	220.62	220.62
(b) Other equity		11,935.49	8,899.54
<b>Total Equity</b>		<b>12,156.11</b>	<b>9,120.16</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial liabilities			
Borrowings	19	2,547.47	1,784.79
Lease liabilities	20	9.98	-
Others	21	286.93	162.29
(b) Provisions	22	112.10	141.46
(c) Deferred tax liabilities (net)	39	1,094.30	876.41
(d) Other liabilities	23	907.30	795.95
<b>Total non-current liabilities</b>		<b>4,958.08</b>	<b>3,760.90</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
Borrowings	24	903.46	265.46
Lease Liabilities	20	3.70	-
Operational buyers' credit/suppliers' credit	25	684.35	1,038.42
Trade payables			
i) Total outstanding dues of micro and small enterprises	26	45.76	36.96
ii) Total outstanding dues of creditors other than micro and small enterprises	26	641.07	831.73
Derivatives	44	15.13	58.98
Others	27	659.59	527.42
(b) Provisions	28	186.44	146.95
(c) Income tax liabilities (net)	39	92.77	47.32
(d) Other liabilities	29	1,055.46	1,019.78
<b>Total current liabilities</b>		<b>4,287.73</b>	<b>3,973.02</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21,401.92</b>	<b>16,854.08</b>

See accompanying notes to the financial statements

As per our report of even date

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

Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**  
Partner  
Membership No. 105497

Place: New Delhi  
Date: April 22, 2025

For and on behalf of the Board of Directors

**S K Roongta**  
Director  
DIN: 00309302  
Place: New Delhi

**Amit Gupta**  
Chief Financial Officer

Place: New Delhi  
Date: April 22, 2025

**Rajesh Kumar**  
CEO & Whole-time Director  
DIN: 09586370  
Place: New Delhi

**Wageesha Agarwal**  
Company Secretary  
ICSI Membership No. A67456

# Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income:</b>			
Revenue from operations	30	15,807.97	13,140.73
Other operating income	31	100.95	141.56
Other income	32	559.24	274.60
<b>Total income</b>		<b>16,468.16</b>	<b>13,556.89</b>
<b>Expenses:</b>			
Cost of materials consumed		6,681.35	5,606.65
(Increase) in inventories of finished goods and work-in-progress	33	(143.60)	(147.29)
Power and fuel charges		3,344.45	3,508.25
Employee benefits expense	34	451.48	389.27
Finance costs	35	203.44	190.46
Depreciation and amortisation expense	36	625.09	577.17
Other expenses	37	1,374.67	1,570.32
<b>Total expenses</b>		<b>12,536.88</b>	<b>11,694.83</b>
<b>Profit before tax</b>		<b>3,931.28</b>	<b>1,862.06</b>
<b>Tax expense:</b>	39		
- Current tax (Including tax related to earlier years)		769.19	331.05
- Deferred tax		193.16	146.08
<b>Total tax expense</b>		<b>962.35</b>	<b>477.13</b>
<b>Net profit after tax</b>		<b>2968.93</b>	<b>1,384.93</b>
<b>Other comprehensive income</b>			
<b>Item that will not be subsequently reclassified to profit or loss</b>			
(a) Re-measurement (loss)/gain on defined benefit obligations	40	(6.55)	8.37
(b) Tax (charge)/credit	39	0.02	(2.11)
<b>Item that will be subsequently reclassified to profit or loss:</b>			
(a) Net gain/(loss) on cash flow hedges		98.32	(24.25)
(b) Tax (charge)/credit	39	(24.74)	6.10
<b>Total other comprehensive (loss)/income for the year</b>		<b>67.05</b>	<b>(11.89)</b>
<b>Total comprehensive income for the year</b>		<b>3035.98</b>	<b>1,373.04</b>
Earnings per share (of ₹ 10/- each)	38		
<b>Basic and Diluted ( in ₹ per share)</b>		134.57	62.77

See accompanying notes to the financial statements

As per our report of even date

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

Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**  
Partner  
Membership No. 105497

Place: New Delhi  
Date: April 22, 2025

For and on behalf of the Board of Directors

**S K Roongta**  
Director  
DIN: 00309302  
Place: New Delhi

**Amit Gupta**  
Chief Financial Officer

Place: New Delhi  
Date: April 22, 2025

**Rajesh Kumar**  
CEO & Whole-time Director  
DIN: 09586370  
Place: New Delhi  
**Wageesha Agarwal**  
Company Secretary  
ICSI Membership No. A67456



# Statement of Cash Flows

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A. Cash flow from operating activities</b>		
Profit before tax	3931.28	1,862.06
Adjusted for :		
- Depreciation and amortisation expense	625.09	577.17
- Interest income	(147.48)	(102.06)
- Finance cost	203.31	187.65
- Unwinding of discount on site restoration liability	0.14	2.81
- (Profit) on sale of current investments	(53.37)	(10.18)
- (Profit) on sale/discard of property, plant and equipment (net)	(14.92)	(44.88)
- Net foreign exchange differences(unrealised)	1.54	177.58
- Unclaimed liabilities written back (net)	(268.80)	(60.69)
- Deferred government grant	(26.73)	(25.50)
- Provisions for doubtful debts /allowances of impairment on financial and non-financial assets	3.79	60.45
	322.57	762.35
Operating profit before changes in assets and liabilities	4,253.85	2,624.41
Adjusted for :		
- (Increase)/Decrease in trade receivables	188.36	(61.57)
- (Increase)/Decrease in inventories	(240.92)	111.54
- (Increase)/Decrease in financial and other assets	(18.71)	215.42
- (Decrease) in trade payables	(181.86)	(675.28)
- Increase/ (Decrease) in other liabilities and provisions	5.10	(299.42)
	(248.04)	(709.31)
Cash generated from operations	4,005.81	1,915.10
Income taxes paid (net)	(670.88)	(311.71)
Net cash flows from operating activities	3,334.93	1,603.39
<b>B. Cash flow from investing activities</b>		
Purchases of property, plant and equipment (including intangibles)	(3,416.82)	(2,499.56)
Proceeds from sale of property, plant and equipment	44.37	61.45
Purchases of short-term investments	(12,031.00)	(5,504.00)
Proceeds from sale of short-term investments	11,044.03	5,655.47
Interest received	148.89	101.09
Bank deposits made during the year	(22.32)	(6.74)
Bank deposits matured during the year	22.21	3.45
Purchase of long term investments	(195.00)	(73.32)
Net cash used in investing activities	(4,405.64)	(2,262.16)

# Statement of Cash Flows

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>C. Cash flow from financing activities</b>		
Proceeds from current borrowings	27.68	150.10
(Repayment) of current borrowings	(0.46)	(450.10)
Proceeds from long-term borrowings	1,737.16	1,595.55
(Repayment) of long-term borrowings	(362.59)	(372.18)
Interest paid	(410.46)	(291.43)
Repayment of lease liabilities	(7.89)	-
Net cash flow in financing activities	983.44	631.94
Net (decrease) in cash and cash equivalents	(87.27)	(26.83)
Cash and cash equivalents as at the beginning of the year (refer note 14)	281.75	308.58
Cash and cash equivalents as at the end of the year (refer note 14)	194.48	281.75

Notes:

- The figures in parenthesis indicate outflow
- The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 statement of cash flows
- For movement in borrowings, refer note 19 and note 24
- The Company enetered into non cash investment activity of acquisition of ROU Asset of ₹ 19.54 Cr (31<sup>st</sup> March 2024: Nil crores). This is not reflected in the statement of cash flow

See accompanying notes to the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**  
Partner  
Membership No. 105497

Place: New Delhi  
Date: April 22, 2025

For and on behalf of the Board of Directors

**S K Roongta**  
Director  
DIN: 00309302  
Place: New Delhi

**Amit Gupta**  
Chief Financial Officer

**Rajesh Kumar**  
CEO & Whole-time Director  
DIN: 09586370  
Place: New Delhi

**Wageesha Agarwal**  
Company Secretary  
ICSI Membership No. A67456

Place: New Delhi  
Date: April 22, 2025

# Statement of Changes in Equity

for the year ended March 31, 2025

## A. Equity share capital

Particulars	Numbers of shares	Amount in ₹ Crores
Equity shares of ₹ 10 each issued, subscribed and fully paid:		
As at March 31, 2025 and March 31, 2024	22,06,24,500	220.62

## B. Other equity

Particulars	Reserve and Surplus				OCI		Total
	Capital reserve <sup>3</sup>	Retained earnings <sup>4</sup>	General reserve <sup>1</sup>	Total reserves (other than OCI)	Effective portion of cash flow hedge <sup>5</sup>	Total OCI	
Balance as at April 1, 2023	9.20	7,083.67	430.31	7,523.18	3.32	3.32	7,526.50
Profit for the year	-	1,384.93	-	1,384.93	-	-	1,384.93
Other comprehensive income/(loss) for the year <sup>2,5</sup>	-	6.26	-	6.26	(18.15)	(18.15)	(11.89)
Total comprehensive income/(loss) for the year	-	1,391.19	-	1,391.19	(18.15)	(18.15)	1,373.04
Balance as at April 1, 2024	9.20	8,474.86	430.31	8,914.37	(14.83)	(14.83)	8,899.54
Profit for the year	-	2,968.93	-	2,968.93	-	-	2,968.93
Other comprehensive income/(loss) for the year <sup>2,5</sup>	-	(6.54)	-	(6.54)	73.58	73.58	67.04
Total comprehensive income/(loss) for the year	-	2,962.39	-	2,962.39	73.58	73.58	3,035.97
Balance as at March 31, 2025	9.20	11,437.25	430.31	11,876.76	58.75	58.75	11,935.49

### 1 General reserves

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve is no longer applicable.

2 Amount considered in Retained Earnings represent Re-measurement of defined benefit obligation (net of tax).

3 The balance in capital reserve is on account of capital restructuring done by the Company.

4 Retained earnings represent the cumulative profit /(loss) of the Company and effects of re-measurement of defined benefit obligations and can be utilised in accordance with the provisions of the Companies Act, 2013.

# Statement of Changes in Equity

for the year ended March 31, 2025

## 5 Effective portion of cash flow hedge

The Company uses hedging instruments as part of its management of commodity price risk. For hedging commodity price risk, the Company uses commodity hedging contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss.

See accompanying notes to the financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**  
Partner  
Membership No. 105497

Place: New Delhi  
Date: April 22, 2025

For and on behalf of the Board of Directors

**S K Roongta**  
Director  
DIN: 00309302  
Place: New Delhi

**Amit Gupta**  
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CEO & Whole-time Director  
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Place: New Delhi

**Wageesha Agarwal**  
Company Secretary  
ICSI Membership No. A67456

Place: New Delhi  
Date: April 22, 2025



# Notes to the Financial Statements

as at and for the year ended March 31, 2025

## 1 Company overview

Bharat Aluminium Company Limited (referred to as “BALCO” or “the Company” hereinafter) was incorporated under the laws of the Republic of India with its registered office at Aluminium Sadan, Core-6, Scope Office Complex, 7, Lodhi Road, New Delhi – 110 003 having 5.70 lakhs mtpa aluminium plants comprising 2.45 lakhs mtpa and 3.25 lakhs mtpa plants with 2,010 MW of power plants comprising captive power plant of 270 MW, 540 MW, 600 MW and independent power plant of 600 MW at Korba (Chhattisgarh). BALCO has captive Bauxite mines at Mainpat and Bodai Daldali. Vedanta Limited and the Government of India respectively hold 51% and 49% of the paid up equity share capital of BALCO. The Corporate Identification Number is U74899DL1965PLC004518.

## 2 Basis of preparation and basis of measurement of financial statements

### (A) Basis of preparation

- i) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 (the “Act”) (as amended from time to time).

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

These financial statements are approved for issue by the Board of Directors on April 22, 2025. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

All financial information presented in Indian Rupees (INR) has been rounded off to the nearest Crores with two decimals except when indicated otherwise. Amounts less than ₹ 0.50 Crores have been presented as “0”.

### (B) Basis of measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value as explained in the accounting policies below. The Ind AS are

prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 3(a) Material accounting policies

### (A) Revenue recognition

- **Sale of goods/rendering of services (Including Revenue from contracts with customers)**

The Company's revenue from contracts with customers is mainly from the sale of aluminium and power. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer which usually is on delivery of the goods to the shipping agent/rendering of service at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue. The Company has generally concluded that it is the principal in its revenue arrangements.

Certain of the Company's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME), as specified in the contract. Revenue in respect of such contracts is recognised

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

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

No element of financing is deemed present as the sales are generally made with a credit term of 0-120 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Revenue from freight and insurance services is recognised over the period during which services are rendered.

Revenue from sale of power is recognised based on contracted rates with customers as approved by concerned regulatory authorities and rates arrived at based on principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable . Revenue from sale of power on account of change in law events is recognised by Company based on order or report of regulatory authorities and best management estimates, wherever applicable.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs part of its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Company's future performance.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are presented as advance from customers and are recognised as revenue as and when control of respective commodities is transferred to customers under the agreements.

- **Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- **Dividends**

Dividend income recognised in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits from current investments are associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

- **Export benefits**

Export benefits are accounted on recognition of export sales. Revenue relating to insurance claims and interest on delayed or overdue payments from trade receivable is recognized when no significant uncertainty as to measurability or collection exists.

### (B) Property, Plant and Equipment

- i) **Mining properties**

The costs of mining properties, which include the costs of acquiring and developing mining properties are capitalized as mining properties separate from

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

Property, plant and equipment in the year in which they are incurred. 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 relative to the risks and the Company decides to proceed with the mine development), all further pre-production primary development expenditure other than on land, buildings, plant and equipment is capitalized as developing asset until the mining property are capable of commercial production. Revenue derived during the project phase is adjusted from the cost incurred on the project from which such revenue is generated.

Deferred stripping costs are included in mining properties within property, plant and equipment and disclosed as a part of mining properties. After initial recognition, the stripping activity asset is depreciated on a unit of production method over the expected useful life of the identified component of the ore body.

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

Commercial reserves are proved and probable reserves as defined by the 'JORC' Code, 'MORC' code or 'SAMREC' Code.

Changes in the commercial reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.

ii) **Other property, plant and equipment**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequently, property plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Land acquired free of cost or at below market rate from the government is recognized at fair value with corresponding credit to deferred income.

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

Assets held for sale are carried at lower of their carrying value or fair value less cost to sell.

Government grant related to fixed asset is capitalized along with the asset that it relates to and depreciated over the life of the primary asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of an item of property, plant and equipment computed as the difference between the net disposal proceeds and the carrying amount of the asset is included in the statement of profit and loss when the asset is derecognised. Major inspection and overhaul expenditure is capitalised, if the recognition criteria are met.

iii) **Assets under construction**

Assets under construction are capitalised in the assets under construction account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Capital work in progress is carried at cost less accumulated impairment losses, if any.

iv) **Depreciation, depletion and amortisation expense**

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

• **Mining properties**

The capitalised mining properties are amortised on a unit-of-production basis over the total estimated remaining commercial proved and probable reserves of each property or group of properties

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

and are subject to impairment review. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future capital expenditure required to access the commercial reserves. Changes in the estimates of commercial reserves or future capital expenditure are dealt with prospectively.

• **Other assets**

Depreciation on other Property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives (determined by the management) as given below.

Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

Estimated useful life of assets are as follows:

Asset	Useful life (in years)
Buildings (Residential; factory etc.)	3-60
Plant and equipment*	4-40
Railway siding	15
Office equipment	3-6
Furniture and fixture	5-10
Vehicles	8-10

\*Useful lives of pot relining included in plant and machinery ranges from 5-7 years

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit to be derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value and useful life of an asset at least at each financial year-end. The Company considers climate-related matters, including physical and transition risks in its assessment of expected useful lives and estimated residual values. If expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

(C) **Intangible assets**

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

Intangible assets are amortised over their estimated useful life on a straight line basis. Software license is amortised over the estimated useful life ranging from 0-5 years.

Amounts paid for securing mining rights are amortised over the period of the mining lease ranging from 16-25 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

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

(D) **Impairment of non-financial assets**

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable Group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or Group of assets.

Impairment tests are carried out annually for all assets when there is an indication of impairment. The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognized impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognized impairment losses.

If any such indication exists or in case of goodwill where annual testing of impairment is required, then an impairment review is undertaken and the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors



# Notes to the Financial Statements

as at and for the year ended March 31, 2025

that may be specific to the Company and not applicable to entities in general. Fair value for mineral assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate post tax discount rate to arrive at the net present value.

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

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss. Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss has previously been recognised.

**(E) Exploration and evaluation intangible assets:**

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred. Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation intangible assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration intangible assets under development are assessed for impairment and impairment loss, if any, is recognised prior to reclassification.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable

operating costs of related support equipment and facilities and other costs of exploration activities:

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

Exploration expenditure incurred in the process of determining mine exploration targets has been capitalised within "Exploration and evaluation assets".

**(F) Financial instruments**

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

**(i) Financial Assets - recognition & subsequent measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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

For purposes of subsequent measurement, financial assets are classified in four categories:

• **Financial Assets at amortised cost**

A 'financial assets' is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

• **Financial Assets at fair value through other comprehensive income (FVOCI)**

A 'financial assets' is classified as at FVOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

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

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss,

even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

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

Debt instruments included within the FVTPL category are measured at fair value with all changes being recognized in statement of profit and loss.

• **Equity instruments**

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

For equity instruments which are classified as FVTPL, all subsequent fair value changes are recognised in the statement of profit and loss.

Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

**(ii) Financial Assets - derecognition**

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**(iii) Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits
- b) Financial assets that are debt instruments and are measured as at FVOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR.

ECL impairment loss allowance (or reversal) during the year is recognized as income/ expense in statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a) Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.
- b) Debt instruments measured at FVOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

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

**(iv) Financial liabilities – Recognition & Subsequent measurement**

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

All financial liabilities are recognised initially at fair value, and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

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

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

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

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

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

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

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

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

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

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

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**(v) Financial liabilities - Derecognition**

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

**(vi) Equity instruments**

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

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

**(vii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

**Initial recognition and subsequent measurement**

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

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



# Notes to the Financial Statements

as at and for the year ended March 31, 2025

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

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

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

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

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

**(i) Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in statement of profit and loss

immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

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

**(ii) Cash flow hedges**

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

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

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

**(H) Leases**

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

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

**(a) Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(b) Company as a lessee**

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

**(i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**(ii) Lease liabilities**

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

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

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

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

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**(I) Inventories**

Inventories and work-in-progress are stated at the lower of cost and net realisable value.

Cost is determined on the following basis:

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

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

Inventories of 'Fuel Stock' mainly consist of coal which is used for generating power. On consumption, the cost is charged off to 'Power and Fuel' charges in the statement of profit and loss.

**(J) Government grants**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

**(K) Taxation**

Tax expense represents the sum of current tax and deferred tax.

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

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

- deferred income tax is not recognised on initial recognition of an asset or liability in a transaction that:
  - (i) is not a business combination;
  - (ii) at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss); and
  - (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences; and
- deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or equity).

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

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

Further, management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**(L) Employee benefit schemes**

**(i) Short Term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**Compensated absences:**

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

**(ii) Post-employment benefits**

**• Defined contribution plan**

Retirement benefits in form of superannuation is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognizes contribution payable to the superannuation scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the

balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**• Defined benefit plans – Gratuity and Provident fund**

**Gratuity**

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is partially funded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

The liability recognized in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

**Provident Fund**

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered



# Notes to the Financial Statements

as at and for the year ended March 31, 2025

employee's salary. The Company contributes a portion to the Balco Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

**(iii) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**Post-retirement medical benefits (PRMB)**

The Company has framed a scheme with a view to provide medical benefits to the regular employees of the Company and their spouses subsequent to their retirement on completion of tenure including retirement on medical grounds and voluntary retirement on contributory basis. Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation.

**(M) Share-based payments**

Vedanta Limited offers certain share based incentives under the Long-Term Incentive Plan ("LTIP") to employees and directors of the Company. It recovers the proportionate cost (calculated based on the grant date fair value of the options granted) from the Company, which is charged to the statement of profit and loss.

**(N) Provisions, contingent liabilities and contingent assets**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

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

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

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

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

The Company has significant capital commitments in relation to various capital projects which are not recognized in the balance sheet.

**(O) Restoration, rehabilitation and environmental costs**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit and loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance cost in the statement of profit and loss.

Costs for the restoration of subsequent site damage, which is caused on an ongoing basis during production, are provided for at their net present value and charged to the statement of profit and loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred. Provision for site restoration cost are reviewed annually and adjusted for changes including mine utilisation plan.

**(P) Accounting for foreign currency transactions and translations**

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

In the financial statements of the Company, transactions in currencies other than the respective functional currencies are translated into their functional currencies at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currencies at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except those where the monetary item is designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

Exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs in qualifying assets.

The Company had applied paragraph 46A of AS 11 under Previous GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-

term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary items recognized upto March 31, 2016 has been deferred/capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets. Exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post April 01, 2016, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss.

**(Q) Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**(R) Buyers' Credit/ Suppliers' Credit and vendor financing**

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months (for raw materials) and up to 36 months (for project and materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the balance sheet. Where these arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an operating cash outflow reflecting the substance of the payment.

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

**(S) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non current only.

**(T) Borrowing costs**

Borrowing cost includes interest expense as per effective interest rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are

substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a qualifying capital project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a qualifying capital project, the income generated from such short-term investments is deducted from the total capitalized borrowing cost. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing then becomes part of general borrowing. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

All other borrowing costs are recognised in the statement of profit and loss in the year in which they are incurred.

Capitalisation of interest on borrowings related to construction or development projects is ceased when substantially all the activities that are necessary to make the assets ready for their intended use are complete or when delays occur outside of the normal course of business.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options).

**(U) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above and additionally includes unpaid dividend account.

**(V) Segment Reporting**

Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Company's Chief Operating Decision Maker ("CODM").

# Notes to the Financial Statements

as at and for the year ended March 31, 2025

Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated based on cost. Unallocated expenditure consist of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and unallocated liabilities respectively.

Pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

**3(b) Application of new and amended standards**

**(A)** The Company has adopted, with effect from April 01, 2024, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the financial statements.

**1. Amendment in IND AS 116: Leases**

The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. It does not have any material impact on the company.

**2. New IND AS 117: Insurance Contracts:**

This standard provides consistent principles for all aspects of accounting for insurance contracts. It does not have any material impact on the company.

**(B) Standards notified but not yet effective**

There are no new standards that are notified, but not yet effective, upto the date of issuance of the financial statements

**(3c) Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are

recognized in the period in which the estimate is revised and future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are elaborated in note no. 45.

**Significant Judgements**

**(i) Contingencies**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the consolidated financial statements.

While considering the possible, probable and remote analysis of taxation, legal and other claims, there is always a certain degree of judgement involved pertaining to the application of the legislation which in certain cases is supported by views of tax experts and/or earlier precedents in similar matters. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

**(ii) Climate Change**

The Company aims to achieve net carbon neutrality by 2050 or sooner & committed to reduce its GHG intensity by 20% by 2026 & Absolute emission by 25% by 2030 from 2021 baseline, achieve net water positivity by 2030 as part of their climate mitigation and adaptation efforts and sustainability strategy. The Company conducted climate risk assessment and outlined its risks and opportunities in TCFD report. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and



# Notes to the Financial Statements

as at and for the year ended March 31, 2025

climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term. The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets (c) review of estimates of useful lives of property, plant and equipment, (d) assets and liabilities carried at fair value, etc.

The Company's strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (505 MW Power delivery agreement ('PDA') with Serentica Renewables signed on a Company captive basis), fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities.

However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. We have also taken certain measures towards water management such as commissioning of Zero Liquid Discharge plants, sewage treatment plant, dry tailing plant, rainwater harvesting, thus reducing freshwater consumption. These initiatives are aligned with the Company's ESG strategy and no material changes were identified to the financial statements as a result.

As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Company's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 4. Property, Plant and Equipments<sup>3,4,5,6,8</sup>

Particulars	Gross block				Accumulated depreciation				Net Block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Charge for the year	Deductions	As at March 31, 2025	As at March 31, 2025
<b>Tangible assets</b>									
Land- freehold <sup>1,2,7</sup>	17.32	-	-	17.32	(0.12)	-	-	(0.12)	17.44
<i>(Previous year)</i>	18.64	-	1.32	17.32	(0.12)	-	-	(0.12)	17.44
Buildings <sup>2</sup>	2,130.96	122.53	6.56	2,246.93	1,101.97	54.00	4.16	1,151.81	1,095.12
<i>(Previous year)</i>	2,124.03	16.65	9.72	2,130.96	1,045.45	61.55	5.03	1,101.97	1,028.99
Plant and equipment	15,041.60	1,019.89	240.23	15,821.25	6,811.68	542.25	203.56	7,150.37	8,670.88
<i>(Previous year)</i>	14,900.90	511.39	370.69	15,041.60	6,648.77	493.44	330.53	6,811.68	8,229.92
Furniture and fixtures	17.93	0.79	0.64	18.08	10.04	1.25	0.64	10.65	7.43
<i>(Previous year)</i>	17.73	4.97	4.77	17.93	13.67	0.77	4.40	10.04	7.89
Vehicles	26.32	4.02	-	30.35	16.91	0.97	-	17.88	12.47
<i>(Previous year)</i>	26.01	1.23	0.92	26.32	17.12	0.48	0.69	16.91	9.41
Office equipment	40.41	6.87	1.93	45.35	32.40	3.13	1.76	33.77	11.58
<i>(Previous year)</i>	44.34	4.13	8.06	40.41	36.21	3.98	7.79	32.40	8.01
Railway Sidings	230.05	-	0.11	229.94	122.32	11.03	0.11	133.24	96.70
<i>(Previous year)</i>	230.05	-	-	230.05	111.28	11.04	-	122.32	107.73
Mining properties	145.36	-	-	145.36	139.66	5.70	-	145.36	(0.00)
<i>(Previous year)</i>	145.36	-	-	145.36	135.31	4.35	-	139.66	5.70
Right of Use assets <sup>6</sup>	35.30	-	-	35.30	26.54	0.04	-	26.57	8.73
<i>(Previous year)</i>	35.30	1.32	1.32	35.30	26.50	1.36	1.32	26.54	8.76
<b>Total</b>	<b>17,685.25</b>	<b>1,154.10</b>	<b>249.47</b>	<b>18,589.88</b>	<b>8,261.40</b>	<b>618.37</b>	<b>210.23</b>	<b>8,669.53</b>	<b>9,920.35</b>
<b>Total -Previous Year</b>	<b>17,542.36</b>	<b>539.69</b>	<b>396.80</b>	<b>17,685.25</b>	<b>8,034.19</b>	<b>576.97</b>	<b>349.76</b>	<b>8,261.40</b>	<b>9,423.85</b>
*Capital work-in-progress <sup>9</sup>	4,136.81	4,376.14	1,154.10	7,358.85	-	-	-	-	7,358.85
<i>(Previous year)</i>	1,098.92	3,577.58	539.69	4,136.81	-	-	-	-	4,136.81

\*For Capital work-in-progress deductions means capitalisation of Capital work-in-progress to respective class of assets.

- Certain land and quarters of the Company including 40 nos. of Company's quarters at Bidhan Bagh Unit and 300.88 acres of land at Korba and Bidhan Bagh have been unauthorisedly occupied for which the Company is evaluating the options for evacuation.
- The Division Bench of the Hon'ble High Court of Chhattisgarh has vide its order dated February 25, 2010, upheld that BALCO is in legal possession of 1,804.67 acres of Government land. Subsequent to the said order, the State Government has decided to issue the lease deed in favour of BALCO after the matter of issue of forest land is decided by the Hon'ble Supreme Court. In the proceedings before the Hon'ble Supreme Court, pursuant to public interest litigations filed, it has been alleged that land in possession of BALCO is being used in contravention of the Forest Conservation Act, 1980 even though the said land has been in its possession prior to the promulgation of the Forest Conservation Act, 1980 on which its Aluminium complex, allied facilities and township were constructed between 1971-76. The Central Empowered Committee of the Supreme Court has already recommended ex-post facto diversion of the forest land in possession of BALCO. BALCO has also filed two IA before the Supreme Court, 1<sup>st</sup> challenging the order of the Tehsildar Korba whereby he rejected BALCO'S applications for eviction of illegal encroachers on BALCO'S land on the ground that land matter is subjudice before the Supreme Court and the other application whereby BALCO has challenged the state government's action for allotment of land to illegal encroachers under the Rajiv Ashray Yojna. As per Supreme Court's directions, the CEC has now submitted another detailed report on 19.03.2025. The matter is now listed for submission of replies to the CEC's report by BALCO on 26.05.2025.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 4. Property, Plant and Equipments<sup>3,4,5,6,8</sup> (Contd..)

3. As part of Annual review, useful lives of certain assets has been re-estimated based on usability according to which additional depreciation has been recognised of ₹ 53.35 Crores in Current year.
4. For lien / charge against property, plant and equipment refer note no. 19, 24 & 25.
5. Refer note 36 for depreciation and amortisation expenses.
6. Disclosure of Right of Use (ROU) Assets as per IndAS 116 - "Leases"<sup>1,2</sup>

Particulars	ROU Land
Gross Block	35.30
<i>(Previous year)</i>	35.30
Accumulated Depreciation	26.57
<i>(Previous year)</i>	26.54
Depreciation charged during the period	0.04
<i>(Previous year)</i>	1.32
Carrying book value as on March 31, 2025	8.73
<i>(Previous year)</i>	8.76

- 6.1. The above ROU is getting depreciated over a useful life of 99 years.
- 6.2. Carrying amount of Lease liability as on 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 is Nil and hence no further disclosure related to movement of lease liabilities, accretion of interest and maturity analysis has been given.
7. Title deeds of immovable properties not held in the name of Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director (Y/N)	Property held since which date	Reason for not being held in the name of the Company**(also indicate if in dispute)
Property, Plant and Equipment	Freehold Land	0.02	National Thermal Power Corporation Ltd	N	June 20, 2002	The 206.18 acres land transferred to BALCO by NTPC is yet to be registered in favour of BALCO due to non-availability of title deeds from NTPC. 'In the matter, arbitration was held where the Ld. Arbitrator passed the award in favour of BALCO but directed that transfer of title deeds of land will be effected by the Central Government with the assistance of State Government. The matter is sub-judice before the Delhi High Court and is posted for hearing on 06.08.2025.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 4. Property, Plant and Equipments<sup>3,4,5,6,8</sup> (Contd..)

8. Please refer note 35 for interest capitalised during the year and note 34 for manpower cost capitalised during the year.
9. Capital work-in-progress ageing schedule as at March 31, 2025:<sup>1</sup>

CWIP	Amount in CWIP				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,389.04	2,219.07	696.64	54.11	7,358.85
<i>(Previous year)</i>	3,527.82	559.14	48.61	1.24	4,136.81
Projects temporarily suspended	-	-	-	-	-
<i>(Previous year)</i>	-	-	-	-	-
<b>Total</b>	<b>4,389.04</b>	<b>2,219.07</b>	<b>696.64</b>	<b>54.11</b>	<b>7,358.85</b>
<b>Total -Previous Year</b>	<b>3,527.82</b>	<b>559.14</b>	<b>48.61</b>	<b>1.24</b>	<b>4,136.81</b>

- 9.1. There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during current financial year and previous financial year

## Intangible Assets<sup>10</sup>

Particulars	Gross block				Accumulated depreciation				Net Block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Charge for the year	Deductions	As at March 31, 2025	As at March 31, 2025
Software license	1.72	0.62	-	2.34	1.21	0.21	-	1.42	0.92
<i>Previous year</i>	10.09	0.01	8.38	1.72	9.39	0.20	8.38	1.21	0.51
Right of use assets.	-	19.54	-	19.54	-	6.51	-	6.51	13.03
<i>Previous year</i>	-	-	-	-	-	-	-	-	-
<b>Total Intangible Assets</b>	<b>1.72</b>	<b>20.17</b>	<b>-</b>	<b>21.89</b>	<b>1.21</b>	<b>6.72</b>	<b>-</b>	<b>7.93</b>	<b>13.96</b>
<b><i>Previous year</i></b>	<b>10.09</b>	<b>0.01</b>	<b>8.38</b>	<b>1.72</b>	<b>9.39</b>	<b>0.20</b>	<b>8.38</b>	<b>1.21</b>	<b>0.51</b>

10. Disclosure of Right of Use (ROU) Assets as per IndAS 116 - "Leases"<sup>1,2</sup>

Particulars	ROU Software license
Gross Block	19.54
<i>(Previous year)</i>	-
Accumulated Depreciation	6.51
<i>(Previous year)</i>	-
Depreciation charged during the period	6.51
<i>(Previous year)</i>	-
Carrying book value as on March 31, 2025	13.03
<i>(Previous year)</i>	-

- 10.1. The above ROU is getting depreciated over a useful life of 5 years.
- 10.2. Carrying amount of Lease liability as on 31<sup>st</sup> March 2025 is ₹ 13.03 Cr and 31<sup>st</sup> March 2024 is Nil and refer note 20 for disclosure related to movement of lease liabilities, accretion of interest and refer note 44 for maturity analysis .



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 5. Exploration intangible assets under development as at March 31, 2025

Particulars	Amount			
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025
Exploration intangible asset under development	16.69	69.74	-	86.43
<i>Previous year</i>	-	16.69	-	16.69

Exploration intangible assets	Amount				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	69.74	0.25	16.44	-	86.43
<i>(Previous year)</i>	0.25	16.44	-	-	16.69

## 6. Financial assets - Non current : Investments<sup>1</sup>

(at fair value through OCI and profit and loss)

### Measured at fair value through profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
<b>A. Investment in Preference shares - Unquoted</b>		
Serentica Renewables India 1 Private Limited (14,90,00,000 Optionally Convertible Redeemable Preference Shares (March 31, 2024: 75,00,000) of ₹ 10 each)*	149.00	75.00
Serentica Renewables India 7 Private Limited (9,03,20,000 Optionally Convertible Redeemable Preference Shares (March 31, 2024: 4,03,20,000) of ₹ 10 each)	90.32	40.32
Serentica Renewables India 8 Private Limited (6,30,00,000 Optionally Convertible Redeemable Preference Shares (March 31, 2024: 3,30,00,000) of ₹ 10 each)	63.00	33.00
<b>Total (A)</b>	<b>302.32</b>	<b>148.32</b>

\*The Company does not exercise significant influence or control on decision of investees. Hence they are not being construed as associate Companies.

### Measured at fair value through other comprehensive income

Particulars	As at March 31, 2025	As at March 31, 2024
<b>B. Investment in equity shares - Unquoted</b>		
Serentica Renewables India 1 Private Limited (4,10,00,000 equity shares of class B (March 31, 2024: Nil) of ₹ 10 each)	41.00	-
<b>Total (B)</b>	<b>41.00</b>	<b>-</b>
<b>Total (A+B)</b>	<b>343.32</b>	<b>148.32</b>

- The Company has executed new Power Delivery Agreements ("PDA") with Serentica group Companies (Serentica Renewables India 1 Private Limited, Serentica Renewables India 7 Private Limited and Serentica Renewables India 8 Private Limited) which are associates of Vedanta Incorporated {Erstwhile Volcan Investments Limited (Volcan)}, for procuring renewable power over twenty five years from date of commissioning of the combined renewable energy power projects ("the Projects") on a group captive basis.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 6. Financial assets - Non current : Investments<sup>1</sup> (Contd..)

These Serentica group Companies were incorporated for building the Projects. During the current year, the Company has invested ₹ 195.00 Crores (March 31, 2024: ₹ 73.32 Crores) in Optionally Convertible Redeemable Preference shares ("OCRPS") of ₹ 10 each of Serentica group Companies. The Company has considered the investments as fair value through profit and loss.

These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in Company's holding twenty six percent stake in its equity. Out of the total investment, 41.00 Crores (31 March 2024: ₹ NIL Crores) worth of OCRPS are converted into equity shares of SRI1PL as per the terms of the PDA. As at 31 March 2025, total outstanding commitments related to PDA with Serentica Group Companies are ₹ 151.08 Crores (31 March 2024: ₹ 346.68 Crores). The Company has involved external valuations experts for the fair valuation of investments as on the balance sheet date

## 7. Financial assets - Non current : Trade receivables

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured</b>		
Considered good	-	-
Significant increase in credit risk	188.76	174.75
<b>Total</b>	<b>188.76</b>	<b>174.75</b>
Less: Allowances for expected credit loss	(63.21)	(58.53)
<b>Total Non Current trade receivable</b>	<b>125.55</b>	<b>116.22</b>

### Notes:

- Carrying value of trade receivable may be affected by the changes in the credit risk of counterparties as explained in note no. 44 as well as for time value of money where collection is expected to be delayed.
- Maturity profile is as per note no. 44.
- For lien/charge against trade receivable refer note nos. 19, 24 and 25.
- No trade receivable is due from directors or other officers of the Company either severally or jointly with any other person (March 31, 2024- Nil). No trade receivable is due from firms or private Companies respectively in which any director is a partner, a director or a member.
- Trade receivables includes ₹ 90.03 Crores (March 31, 2024: ₹ 90.03 Crores) (Net of allowance of expected credit loss ("ECL") of ₹ 45.34 Crores) on account of differential energy charges for supply of power to customers under power supply agreements, pursuant to amendment in escalation rates of domestic coal by Central Electricity Regulatory Commission (CERC) for the period October 1, 2012 to September 30, 2014 which is disputed in Honourable Delhi High Court. Supported by legal opinion obtained, management believes it to be highly probable that the disputes will ultimately be resolved in favour of the Company.
- Ageing has been considered from the date of credit period expired, wherever applicable or from the date of invoice where there are no contracted credit period.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 7. Financial assets - Non current : Trade receivables (Contd..)

### Non Current trade receivables ageing schedule as at March 31, 2025\*:

Particulars	Outstanding from due date of payment as on March 31, 2025						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed**							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	2.93	5.43	10.60	2.98	31.44	135.38	188.76
- credit impaired	-	-	-	-	-	-	-
	2.93	5.43	10.60	2.98	31.44	135.38	188.76
Less: Allowances for expected credit loss	(0.98)	(1.80)	(3.55)	(1.00)	(10.54)	(45.34)	(63.21)
	1.95	3.63	7.05	1.98	20.90	90.04	125.55
Total	1.95	3.63	7.05	1.98	20.90	90.04	125.55

### Non Current trade receivables ageing schedule as at March 31, 2024\*:

Particulars	Outstanding from due date of payment as on March 31, 2024						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed**							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	3.29	1.98	-	20.91	-	148.57	174.75
- credit impaired	-	-	-	-	-	-	-
	3.29	1.98	-	20.91	-	148.57	174.75
Less: Allowances for expected credit loss	-	-	-	-	-	(58.53)	(58.53)
	3.29	1.98	-	20.91	-	90.04	116.22
Total	3.29	1.98	-	20.91	-	90.04	116.22

\*There are no unbilled trade receivable as on March 31, 2025 and March 31, 2024.

\*\* Disputed dues are considered good basis sub note 5 & 6 above

### Movement of Allowance for expected credit loss

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	58.53	34.10
Change in estimates	-	-
Additions to allowances	4.68	58.53
Adjusted against bad debts written off	-	(34.10)
Closing Balance	63.21	58.53

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 8. Financial assets - Non current : Loans

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Loan to employees <sup>1</sup>	0.08	0.08
Total	0.08	0.08

1. For details of classification of financial assets and fair value hierarchy refer note no. 44.

## 9. Financial assets - Non Current : Others<sup>1</sup>

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security deposits	39.51	51.87
Site restoration asset	-	15.46
Bank Deposits <sup>2</sup>	17.72	23.35
Other receivables	2.03	-
Unsecured, considered doubtful		
Other receivables having significant increase in credit risk	1.02	5.71
Less: allowance for expected credit loss	(1.02)	(1.91)
Total	59.26	94.48

1. For details of classification of financial assets and fair value hierarchy refer note no. 44.

2. Bank deposits represents fixed deposits with maturity more than 12 months under lien with banks against bank guarantee.

## 10. Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Capital advances	202.48	526.01
Prepaid expenses <sup>1</sup>	0.57	4.96
Claims and other receivables <sup>2</sup>	116.76	104.90
Total	319.81	635.87

### Notes :

- Includes ₹ NIL (March 31, 2024: ₹ 4.43 Crores) excess of actual expenditure incurred towards Corporate Social Responsibility over obligation till date, refer note no 37 (2).
- Claims and other receivables includes following :
  - Receivables pertaining to energy development cess levied by Government of Chhattisgarh ₹ 34.54 Crores (March 31, 2024: ₹ 34.54 Crores) which has been challenged by the Government of Chhattisgarh in the Honourable Supreme Court of India. Supported by a legal opinion obtained, management believes that it is possible that the matter will be decided in favour of the Company.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 10. Other non-current assets (Contd..)

- b. Claims recoverable from Madhya Pradesh Electricity Board (MPEB)/Chhattisgarh State Electricity Board (CSEB) amounting to ₹ 10.08 Crores (March 31, 2024 : ₹ 10.08 Crores), which are disputed by them. The Company is also disputing the claim for Electricity duty/surcharge made by MPEB/CSEB amounting to ₹ 13.23 Crores (March 31, 2024: ₹ 13.23 Crores). The net amount recoverable/payable can be ascertained on settlement of the disputes. Supported by a legal opinion obtained, management believes that it is probable that the matter will be decided in favour of the Company. The said claim is interest-bearing.

## 11. Current assets: Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Raw materials	493.28	458.34
Goods-in transit	238.06	232.95
	<b>731.34</b>	<b>691.29</b>
(b) Fuel stock	151.70	92.35
Goods-in transit	10.24	6.41
	<b>161.94</b>	<b>98.76</b>
(c) Work-in-progress	351.94	292.87
Goods-in transit	-	-
	<b>351.94</b>	<b>292.87</b>
(d) Finished goods <sup>1</sup>	<b>1.67</b>	<b>0.29</b>
(e) By-product <sup>1</sup>	-	<b>0.17</b>
(f) Stores and spares <sup>2</sup>	185.18	193.84
Goods-in transit	7.14	4.39
	<b>192.32</b>	<b>198.23</b>
<b>Total</b>	<b>1,439.21</b>	<b>1,281.61</b>

### Notes :

1. Inventories held at net realizable value amounted to ₹ 1.39 Crores (March 31, 2024: ₹ 3.02 Crores). The write down on inventories amounting to ₹ 9.85 Crores for the year (March 31, 2024: ₹ 7.31 Crores) has been charged to the Statement of Profit and Loss.
2. Provision in respect of slow-moving, damaged, or obsolete inventories of stores and spares lying in books on March 31, 2025 is ₹ 7.89 Crores (March 31, 2024: ₹ 12.17 Crores).
3. Entire inventory has been hypothecated as security against certain bank borrowings of the Company. For more details of lien/charge against inventories refer note no. 19, 24 & 25.
4. For mode of valuation for each class of inventories, refer note no. 3(a)(i).
5. Inventories lying with third party is ₹ 255.44 Crores (March 31, 2024: ₹ 243.75 Crores)

## 12. Financial assets - Current : Investments<sup>1</sup>

(at fair value through profit and loss)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Investments</b>		-
Investments in mutual funds - unquoted	1,040.34	-
<b>Total</b>	<b>1,040.34</b>	-
Aggregate amount of unquoted investments	1,040.34	-

1. For determination of fair value refer note no. 44.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 13. Financial Assets- Current : Trade receivables

(at amortised cost and at fair value through profit and loss)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Secured<sup>6</sup></b>		
Considered good	120.03	322.54
	<b>120.03</b>	<b>322.54</b>
<b>Unsecured<sup>4</sup></b>		
Considered good	3.37	2.33
	<b>3.37</b>	<b>2.33</b>
<b>Total</b>	<b>123.40</b>	<b>324.87</b>

1. Carrying value of trade receivables may be affected by the changes in the credit risk of counterparties as explained in note no. 44.
2. Maturity profile is as per note no. 44.
3. For lien/charge against trade receivables refer note nos. 19, 24 and 25.
4. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. No trade receivables are due from firms or private Companies respectively in which any director is a partner, a director or a member (March 31, 2024 : Nil). For amount due from related parties, refer note no. 43.
5. Ageing has been considered from the date of credit period expired, wherever applicable or from the date of invoice where there are no contracted credit period.
6. Debtors are secured against letter of credit or bank guarantee.

### Current trade receivables ageing schedule as at March 31, 2025\*:

Particulars	Outstanding from due date of payment as on March 31, 2025						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
- considered good	94.46	28.94	-	-	-	-	123.40
- credit impaired	-	-	-	-	-	-	-
	94.46	28.94	-	-	-	-	123.40
Less: Allowances for expected credit loss	-	-	-	-	-	-	-
	<b>94.46</b>	<b>28.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123.40</b>
<b>Total**</b>							<b>123.40</b>

### Current trade receivables ageing schedule as at March 31, 2024\*:

Particulars	Outstanding from due date of payment as on March 31, 2024						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
- considered good	148.89	175.98	-	-	-	-	324.87
- credit impaired	-	-	-	-	-	-	-
	148.89	175.98	-	-	-	-	324.87

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 13. Financial Assets- Current : Trade receivables (Contd..)

Particulars	Outstanding from due date of payment as on March 31, 2024						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Less: Allowances for credit impaired	-	-	-	-	-	-	-
	148.89	175.98	-	-	-	-	324.87
<b>Total**</b>							324.87

\* There are no unbilled trade receivable as on March 31, 2025 and March 31, 2024.

\*\* There are no disputed receivables as on March 31, 2025 and March 31, 2024.

## 14. Financial Assets- Current : Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks	194.47	281.75
Cash on hand	0.01	0.00
<b>Total</b>	194.48	281.75

## 15. Financial assets - Current : Loans

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Loans to employees	0.60	0.64
<b>Total</b>	0.60	0.64

## 16. Financial Assets- Current : Others

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Security deposits	0.06	0.13
Receivables from related parties (also refer note no. 43)	14.23	6.43
Site restoration asset <sup>2</sup>	19.77	-
Other receivables <sup>3</sup>	44.21	51.37
<b>Total</b>	78.27	57.93

### Notes :

- For details of classification of financial assets and fair value hierarchy refer note no. 44.
- Represents deposits with Ministry of Coal pertaining to coal block which earns interest at fixed rate based on respective deposit rate.
- Includes marked to market valuation of derivative contract entered into to hedge risk of fluctuation of commodity prices as at March 31, 2025 ₹ 35.82 Crores (March 31, 2024 ₹ 34.61 Crores), also refer note 44.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 17. Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Advances to suppliers	146.61	173.23
Prepaid expenses <sup>1</sup>	39.67	63.13
Claims and other receivables	6.45	-
Balances with statutory/Government authorities	7.71	17.73
Export incentives receivable	5.37	10.89
<b>Total</b>	205.81	264.98

### Notes :

- Includes ₹ 23.86 Crores (March 31, 2024: ₹ 36.66 Crores) excess of actual expenditure incurred towards Corporate Social Responsibility over obligation till date, refer note no 37 (2).
- Also refer note 10.2 for claims and other receivables.

## 18. Share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>				
Balance at the end of the year (equity shares of ₹ 10 each)	50,00,00,000	500.00	50,00,00,000	500.00
<b>Issued, subscribed and fully Paid up</b>				
Balance at the end of the year (equity shares of ₹ 10 each)	22,06,24,500	220.62	22,06,24,500	220.62
<b>Total</b>	22,06,24,500	220.62	22,06,24,500	220.62

### i) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning and end of the year	22,06,24,500	220.62	22,06,24,500	220.62

### ii) Details of shares held by each shareholder holding more than 5% shares

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
a) Vedanta Limited <sup>1</sup> and their nominees	11,25,18,495	51%	11,25,18,495	51%
b) Government of India - President of India	10,81,06,005	49%	10,81,06,005	49%
<b>Total</b>	22,06,24,500	100%	22,06,24,500	100%

- Vedanta Limited, Holding Company holds 11,25,18,495 shares in the Company. The subsidiaries and associates of Vedanta limited do not hold any equity shares in the Company. Ultimate holding Company Volcan Investments Limited and its subsidiaries and associates do not hold any equity shares in the Company.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 18. Share capital (Contd..)

### iii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, which is paid as and when declared by the Board of Directors. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### iv) Shareholding of promoter

Promoter Name	As at March 31,2025			As at March 31,2024		
	No. of shares at the end of the year	% of Total Shares	% change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Vedanta Limited	11,25,18,495	51%	-	11,25,18,495	51%	-

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

## 19. Financial liabilities -Non current Borrowings <sup>2</sup>:

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
Rupee Term loans from banks <sup>1</sup>	2,547.47	1,784.79
<b>Total</b>	<b>2,547.47</b>	<b>1,784.79</b>

1. Interest, repayment terms and security details of borrowings	As at March 31, 2025	As at March 31, 2024
<b>Rupee Term loan (HDFC Bank)</b>	295.05	109.39
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 8.55% (March 31, 2024: 8.87%) and are repayable in 16 quarterly installments.		
<b>Rupee Term loan (Bank of Baroda)</b>	439.28	478.92
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 8.77% (March 31, 2024: 8.63%) and are repayable in 14 quarterly installments.		
<b>Rupee Term loan (UCO Bank)</b>	424.06	-
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 9.51% (March 31, 2024: 8.69%) and are repayable in 17 quarterly installments.		

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 19. Financial liabilities -Non current Borrowings <sup>2</sup>: (Contd..)

1. Interest, repayment terms and security details of borrowings	As at March 31, 2025	As at March 31, 2024
<b>Rupee Term loan (Canara Bank)</b>	2,265.32	1,327.58
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest is 8.65% (March 31, 2024: 8.81%) and are repayable in 14 quarterly installments.		
<b>Rupee Term loan (Axis Bank)</b>	-	134.36
Rupee term loans from various banks secured by first pari passu charge on movable property, plant and equipments (excluding coal block) of the Company. Weighted average rate of interest as on March 31, 2024 is 9.34%		
<b>Total borrowings</b>	<b>3,423.71</b>	<b>2,050.25</b>
Less: Current Maturity of Long Term Borrowings	876.24	265.46
<b>Net Non-Current borrowings</b>	<b>2,547.47</b>	<b>1,784.79</b>

2. The credit facilities are subject to certain financial and non- financial covenants. The primary covenants which must be complied with include debt service coverage ratio, total outside liabilities to total net worth, fixed assets coverage ratio and ratio of total term liabilities to net worth. The Company has complied with the covenants as per the terms of the loan agreement.

### 19A Movement in borrowings during the year is provided below:

Particulars	Borrowings due within one year	Borrowings due after one year	Total
Opening Balance as on April 1, 2023	652.14	477.33	1,129.47
Cash inflow	150.10	1,595.55	1,745.65
Cash outflow	(450.10)	(372.18)	(822.28)
Other Non cash changes	(86.68)	84.09	(2.59)
<b>As at April 1, 2024</b>	<b>265.46</b>	<b>1,784.79</b>	<b>2,050.25</b>
Cash inflow	27.68	1,737.16	1,764.85
Cash outflow	(0.46)	(362.59)	(363.05)
Other Non cash changes	583.56	(611.89)	(28.34)
<b>As at March 31, 2025</b>	<b>876.24</b>	<b>2,547.47</b>	<b>3,423.71</b>

Other non-cash changes comprises of amortisation of borrowing costs and reclassification between borrowings due within one year and borrowings due after one year.

## 20. Movement in lease liabilities is as follows:

Particulars	Amount
At 1 <sup>st</sup> April 2024	-
Additions during the year	19.54
Interest on lease liabilities	2.03
Payment made <sup>1</sup>	(7.89)
<b>As at 31<sup>st</sup> March 2025</b>	<b>13.68</b>

1. Includes payment of interest on lease liabilities of ₹ 2.03 Crores.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 21. Financial liabilities - Non current: Others<sup>1</sup>

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital creditors	286.93	162.29
<b>Total</b>	<b>286.93</b>	<b>162.29</b>

1. For details of classification of financial liabilities and fair value hierarchy refer note no. 44

## 22. Provisions : Non current

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits <sup>1</sup>	112.10	129.96
Provision for site restoration and rehabilitation <sup>2,3</sup>	-	11.50
<b>Total</b>	<b>112.10</b>	<b>141.46</b>

1. Includes Gratuity and Post Retirement Medical Benefits (PRMB). Also refer note no. 28 and 40.

2. Provision for site restoration and rehabilitation

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	11.50	8.69
Add: Unwinding of discount	0.14	2.42
Revision in estimates*	-	0.39
Reclassified to Current provisions	(11.64)	-
<b>Closing balance</b>	<b>-</b>	<b>11.50</b>

\*Also refer note 36 for depreciation and amortisation of site restoration assets.

3. The provisions for site restoration and rehabilitation represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligations under existing Indian law and the terms of the Company's contractual arrangements for coal mines. These amounts are calculated by considering discount rates within the range of 8% to 9%, and become payable on closure of mines and are expected to be incurred over a period of upto 2 years.

## 23. Other liabilities : Non current

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Government grants <sup>1</sup>	907.30	795.95
<b>Total</b>	<b>907.30</b>	<b>795.95</b>

1. Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on import of plant and equipments accounted for as government grant as per the guidance given under Ind AS 20.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 24. Financial liabilities -Current Borrowings :

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
Current maturities of long term borrowings <sup>1</sup>	876.24	265.46
	<b>876.24</b>	<b>265.46</b>
<b>Unsecured</b>		
Working Capital Loan	27.22	-
	<b>27.22</b>	<b>-</b>
<b>Total</b>	<b>903.46</b>	<b>265.46</b>

### 1. Current maturities of long term borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Term loans from banks	876.24	265.46
<b>Total</b>	<b>876.24</b>	<b>265.46</b>

1.1. Interest, security and payment terms as detailed in note no. 19 and for movement in borrowings during the year refer note 19A.

1.2. There were no differences as reported in the quarterly returns in terms of current assets secured against borrowings outstanding during the year.

## 25. Financial liabilities -Current Operational buyers' credit/suppliers' credit<sup>1,2</sup>

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Operational buyers' credit/suppliers' credit	684.35	1,038.42
<b>Total</b>	<b>684.35</b>	<b>1,038.42</b>

1. Operational Buyers' /Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate ranging from 4.65% to 6.20% per annum.

2. Operational buyers' credit/suppliers' credit from HDFC Bank and State Bank of India are secured by way of hypothecation of stock of raw materials, work-in-progress, finished products, consumable stores and spares, bills receivables, book debts and all other movable PPE, both present and future. The charges rank pari passu among banks under the multiple banking arrangements, both for current and non-current fund based and non-fund based facilities.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 26. Financial liabilities - Current: Trade payables<sup>3,5</sup>

(at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises <sup>4</sup>	45.76	36.96
<b>Total (a)</b>	<b>45.76</b>	<b>36.96</b>
Total outstanding dues of creditors other than micro and small enterprises <sup>1,2</sup>	625.31	827.36
Dues to related parties (also refer note no. 43)	15.76	4.37
<b>Total (b)</b>	<b>641.07</b>	<b>831.73</b>
<b>Total (a+b)</b>	<b>686.83</b>	<b>868.69</b>

### Notes :

- During the year ended March 31, 2024 pursuant to withdrawal of show cause notice issued by the Nominated Authority for imposition of levy for the financial year end March 31, 2021. for efficiency parameters related to extraction as the Company had achieved the Peak Rated Capacity (PRC) in the financial year 2019-20, the Company has reversed provision aggregating ₹ 131.00 Crores towards such levy for the year ended March 31, 2021 and year ended March 31, 2022 which has been netted off with Power and Fuel expense.
- Trade payables are non-interest bearing and are normally settled up to 180 days terms.
- Also refer note no. 37
- Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006 ( to the extent such parties have been identified on the basis of information available with the Company):

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	45.76	36.96
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

- Ageing has been considered from the date of expiry of credit period, if available or from the date of transaction.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 26. Financial liabilities - Current: Trade payables<sup>3,5</sup> (Contd..)

Trade payables ageing schedule as at March 31, 2025

Particulars	Unbilled	not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises - undisputed	35.93	-	9.83	-	-	-	45.76
(ii) Micro and Small Enterprises- disputed	-	-	-	-	-	-	-
(i) Others- undisputed	217.81	2.83	361.81	5.26	5.09	7.85	600.65
(ii) Others-disputed	-	-	3.74	3.91	2.46	30.31	40.42
<b>Total</b>	<b>253.74</b>	<b>2.83</b>	<b>375.38</b>	<b>9.17</b>	<b>7.55</b>	<b>38.16</b>	<b>686.83</b>

Trade payables ageing schedule as at March 31, 2024

Particulars	Unbilled	not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and Small Enterprises - undisputed	26.96	3.65	6.35	-	-	-	36.96
(ii) Micro and Small Enterprises - disputed	-	-	-	-	-	-	-
(i) Others- undisputed	304.44	58.46	197.64	22.07	11.94	13.83	608.38
(ii) Others-disputed	-	-	49.72	26.28	24.97	122.38	223.35
<b>Total</b>	<b>331.40</b>	<b>62.11</b>	<b>253.71</b>	<b>48.35</b>	<b>36.91</b>	<b>136.21</b>	<b>868.69</b>

## 27. Financial liabilities- Current :Others<sup>2</sup>

(at amortised cost and fair value through profit and loss)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>At Amortised Cost:</b>		
Interest accrued but not due	18.26	13.97
Capital creditors	515.80	414.92
Dues to related parties (refer note no. 43)	4.29	0.90
Security deposits from vendors and others	23.53	28.85
Employee Liabilities	81.88	65.84
<b>At fair value through profit and loss:</b>		
Other liabilities <sup>1</sup>	15.83	2.94
<b>Total</b>	<b>659.59</b>	<b>527.42</b>

### Notes :

- Other liabilities represent liability arising from net losses on mark to market valuation of derivatives undertaken to hedge risk of fluctuation in commodity prices.
- For details of classification of financial liabilities and fair value hierarchy refer note no. 44.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 28. Provisions : Current

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits <sup>1</sup>	84.31	61.08
Provision for site restoration and rehabilitation <sup>2,3</sup>	11.64	-
Disputes and claims <sup>4</sup>	90.49	85.87
<b>Total</b>	<b>186.44</b>	<b>146.95</b>

### Notes :

- Includes gratuity, post retirement medical benefits (PRMB) to the extent considered current and leave encashment. Also refer note no. 40.
- Provision for site restoration and rehabilitation

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Add: Unwinding of discount	-	-
Revision in estimates*	-	-
Reclassified from Non Current provisions	11.64	-
<b>Closing balance</b>	<b>11.64</b>	<b>-</b>

\*Also refer note 36 for depreciation and amortisation of site restoration assets.

- The provisions for site restoration and rehabilitation represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligations under existing Indian law and the terms of the Company's contractual arrangements for coal mines. These amounts are calculated by considering discount rates within the range of 8% to 9%, and become payable on closure of mines and are expected to be incurred over a period of upto 2 years.
- Provision for disputes and claims

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	85.87	114.28
Interest charged during the year	4.62	4.63
Payment made/adjusted during the year	-	(33.04)
<b>Closing balance<sup>1</sup></b>	<b>90.49</b>	<b>85.87</b>

- Represents provision for disputed case (including interest) with Madhya Pradesh Electricity Board (MPEB)/Chhattisgarh State Electricity Board (CSEB) amounting to ₹ 49.60 Crores (March 31, 2024: ₹ 49.60 Crores) for electricity duty/surcharge pending in Chhattisgarh High Court and provision for vendor disputed case related to mining and transporatation charges of raw material amounting to ₹ 40.89 Crores (March 31,2024 ₹ 36.27 Crores). The above provision is net of amount paid under protest amounting to ₹ 33.03 Crores (March 31, 2024: ₹ 33.03 Crores).

## 29. Other liabilities : Current

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Government grants (refer note no. 23(1))	41.40	26.35
Statutory liabilities <sup>1,3</sup>	848.82	827.38
Advance from customers <sup>2</sup>	165.24	166.05
<b>Total</b>	<b>1,055.46</b>	<b>1,019.78</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 29. Other liabilities : Current (Contd..)

### Notes :

- Also refer note 37.
- Advance from customers are contract liabilities and include amounts received under supply agreements. The advance payment plus interest thereon will be settled by supplying respective commodity over a period up to twelve months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are recognised as advance from customers and will be released to the income statement as respective commodity is delivered under the agreements.
- During the year ended March 31, 2025 certain unclaimed liabilities aggregating ₹ 35.68 Crores (March 31, 2024: ₹ 114 Crores) towards charges for power purchased from market sources and internally transferred from Independent Power Plant have been written back in view of applicability of The Limitation Act, 1963 which is supported by legal opinions obtained in this regard.

## 30. Revenue from operations

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Sale of products and supply of power	15,807.97	13,140.73
<b>Total</b>	<b>15,807.97</b>	<b>13,140.73</b>

- Revenue from sale of products and supply of power comprises of revenue from contracts with customers of ₹ 16,160.88 Crores (March 31, 2024: ₹ 13,583.49 Crores) and net loss on mark-to-market of ₹ 352.91 Crores (Net loss on March 31, 2024: ₹ 442.76 Crores) and includes gains/losses relating to sale of products during the year at prices that were provisional at the time of sale and are pending final settlement at the year end.
  - Includes ₹ 166.05 Crores (March 31, 2024: ₹ 155.16 Crores) for which contract liabilities existed at the beginning of the year.
- Performance obligation pending at the year end in respect of sale of products to customers recognised during the year are immaterial and hence not disclosed separately. Corresponding revenue will be recognised as and when such obligations will be performed.
- For details on disaggregation of revenue, refer note 42D.
- Majority of the Company's sales of products and supply of power are against advances or against letters of credit/cash against documents/guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within the normal credit period. As per the terms of the contract with its customers, either all performance obligations are to be completed within one year from the date of such contracts or the Company has a right to receive consideration from its customers for all completed performance obligations. Accordingly, the Company has availed the practical expedient available under paragraph 121 of Ind AS 115 and dispensed with the additional disclosures with respect to performance obligations that remained unsatisfied (or partially unsatisfied) at the balance sheet date. Further, since the terms of the contracts directly identify the transaction price for each of the completed performance obligations, in all material respects, there are no elements of transaction price which have not been included in the revenue recognised in the financial statements.

## 31. Other operating income

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Export incentives	27.68	38.77
(ii) Scrap sales	49.70	48.73
(iii) Miscellaneous income <sup>1</sup>	23.57	54.06
<b>Total</b>	<b>100.95</b>	<b>141.56</b>

- Miscellaneous income majorly includes sale of Energy saving certificates.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 32. Other income

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Net gain on investments measured at fair value through profit or loss	53.37	10.18
Interest Income from financial assets at amortised cost		
(i) Bank deposits	4.15	2.30
(ii) Others <sup>1</sup>	143.33	99.76
Gain on sale/discard of property, plant and equipments	14.92	44.88
Unclaimed liabilities written back (net) <sup>2,3,4</sup>	268.79	60.69
Miscellaneous income <sup>6</sup>	47.95	31.29
Deferred Government grant income <sup>5</sup>	26.73	25.50
<b>Total</b>	<b>559.24</b>	<b>274.60</b>

1. Includes ₹ 8.78 Crores on March 31, 2025 (March 31, 2024: ₹ 11.31 Crores) on account of late payment surcharge on delayed payments. As per the terms of power sales agreement, the Company is entitled to receive late payment surcharge on delayed payment at SBI PLR rate.
2. During the year ended March 31, 2024 the Company has reversed net provision of ₹ 49 Crores (including interest of ₹ 37 Crores) towards an arbitration award in favour of a vendor in a prior year, now debarred under Law of Limitation and hence written back.
3. During the year, provision aggregating ₹ 182.64 Crores towards upkeep charges recognised in prior years as per Arbitration order which was subject to conditions specified therein, has been reversed pursuant to management's re-assessment regarding adherence with aforesaid conditions and ongoing discussions with the vendor as submitted before Hon'ble Delhi High Court. The management strongly believes that the Company does not have any obligation to pay this amount, which is duly supported by legal opinion obtained in this regard.
4. During the year, provision of ₹ 59.24 Crores towards disposal of fly ash has been reversed based on management's reassessment that the Company does not have any legal obligation for disposal of such fly ash based on the guidelines issued by the MOEFC in 2021 and 2022 which is duly supported by legal opinion obtained in this regard.
5. Income from deferred government grants is amortised over the useful life of related assets. For nature of Government grant refer note no 23 (1).
6. Miscellaneous income mainly includes receipts from insurance claims, hospital and rent.

## 33. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>Opening inventories</b>		
Finished goods	0.29	-
Work in progress	292.87	383.49
By products	0.17	0.41
	<b>293.33</b>	<b>383.90</b>
<b>Closing inventories</b>		
Finished goods	1.67	0.29
Work in progress	351.94	292.87
By products	-	0.17
	<b>353.61</b>	<b>293.33</b>
Finished Goods/Work in progress consumed for asset under construction	83.32	237.86
<b>Total</b>	<b>(143.60)</b>	<b>(147.29)</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 34. Employee benefits expense

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
(a) Salaries and wages <sup>1</sup> (refer note no. 43)	444.85	362.01
(b) Contributions to provident and other funds (refer note no. 40)	26.05	22.48
(c) Gratuity expense	5.30	4.95
(d) Staff welfare expenses	45.55	45.62
(e) Long term incentive plan (LTIP) <sup>2</sup>	7.39	6.72
<b>Total</b>	<b>529.14</b>	<b>441.78</b>
Less: Capitalisation of Manpower cost	(77.66)	(52.51)
<b>Total</b>	<b>451.48</b>	<b>389.27</b>

### Notes :

1. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

### 2. Long term incentive plan (LTIP)

The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-Company ("CTC") and individual grade of the employee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares. Options granted during the year ended March 31, 2025 and year ended March 31, 2024 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG and Carbon footprint or a combination of these for the respective business/ SBU entities. The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed

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

Amount recovered by Vedanta Limited and recognized by the Company in the Statement of Profit and Loss for the year ended March 31, 2025 is ₹ 7.39 Crores (March 31, 2024 : ₹ 6.72 Crores). The Company considers these amounts as not material and accordingly has not provided further disclosures.

## 35. Finance cost

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Interest expense	417.06	299.72
Other finance cost	10.47	10.99
Net interest on defined benefit obligation	10.31	11.00
Less: Capitalisation of Finance cost <sup>1</sup>	(234.40)	(131.25)
<b>Total</b>	<b>203.44</b>	<b>190.46</b>

1. Interest rate of 8.85% (March 31, 2024: 8.84%) was used to determine the amount of general borrowing costs eligible for capitalization amounting to ₹ 82.73 Crores (March 31, 2024: ₹ 59.33 Crores) in respect of qualifying asset for the year ended March 31, 2025. Further, interest has been capitalized amounting to ₹ 151.67 Crores (March 31, 2024: ₹ 71.92 Crores) related to specific borrowing at an average interest rate of 8.45% (March 31, 2024: 8.81%).

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 36. Depreciation and amortisation expense

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Tangible assets (Refer note no. 4)	618.37	576.97
Intangible assets (Refer note no. 4)	6.72	0.20
<b>Total</b>	<b>625.09</b>	<b>577.17</b>

## 37. Other expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Consumption of stores and spare parts	306.37	274.24
Repairs and maintainance		
Plant and machinery	393.82	372.07
Buildings	53.34	46.47
Others	79.35	85.72
Other manufacturing and operating expenses	108.46	96.14
Rent*	1.56	1.50
Rates and taxes <sup>3</sup>	60.81	137.14
Insurance	30.12	29.25
Directors sitting fees and commission	0.73	0.72
Payments to auditors <sup>1</sup>	1.33	1.26
Net loss on foreign currency transactions and translation (other than considered as finance cost)	50.77	197.44
Consultants and professional fees	41.06	26.54
Corporate Social Responsibility Expenses <sup>2</sup>	36.66	36.43
Carriage outwards	61.59	71.11
Other selling expenses		
Miscellaneous expenses	144.91	133.85
Allowances of impairment on financial and non-financial assets/ bad debts written off	3.79	60.44
<b>Total</b>	<b>1,374.67</b>	<b>1,570.32</b>

\*Represents expense on short term/low value leases

### 1. Payments to auditors

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
For Statutory Audit	0.53	0.56
For parent Company reporting (including quarterly reviews)	0.55	0.55
For other services	0.13	0.04
Reimbursement of expenses	0.12	0.11
<b>Total</b>	<b>1.33</b>	<b>1.26</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 37. Other expenses (Contd..)

### 2. Corporate Social Responsibility Expenses

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Gross amount required to be spent by the Company during the year	36.66	36.43
Amount approved by the Board to be spent during the year	20.84	16.13
Amount spent in cash on :		
Construction/acquisition of assets	-	-
On purposes other than above*	17.95	15.38
Amount yet to be paid in cash	-	-
<b>Total amount spent</b>	<b>17.95</b>	<b>15.38</b>

\* Includes NIL (March 31, 2024: ₹ 1.5 Crores) paid to a related party as disclosed below

#### Details of CSR activities

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>A) Donation to related party( VMRF)</b>		
i) Health care	-	1.50
<b>B) Other than related party</b>		-
i) Gender equity and women empowerment	2.47	1.84
ii) Health care	1.42	1.66
iii) Promotion of education	3.74	5.33
iv) Rural development projects	9.52	5.01
v) Sanitation works	0.04	0.04
vi) Others	0.76	-
<b>Total</b>	<b>17.95</b>	<b>15.38</b>

The Company has an excess CSR spent of ₹ 23.86 Crores (March 31, 2024: ₹ 42.58 Crores) for it proposes to offset against future obligations and has recognised the same as an asset in the balance sheet:

Opening Balance	Required to be spent during the year	Actual Spent during the year	Utilised from excess spent	Closing balance of excess spent to be carried forwarded to next year*
42.58	36.66	17.95	18.71	23.86

\*Based on the expectation, the Company is expected to utilise ₹ 39.11 Crores within the next financial year

3. During the year ended March 31, 2024 the Company has recognised differential amount of property tax of ₹ 86.66 Crs based on the independent valuer's assessment for FY 2009-10 to FY 2023-24. The Company is in the process of discussion with the municipal authorities for the amount payable based on the independent valuer's report and believes there will be no material change in the outflow.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

### 38. Earnings per share (EPS)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Net profit after tax for the year	2968.93	1,384.93
Weighted number of ordinary shares for basic EPS	22,06,24,500	22,06,24,500
Nominal value of ordinary share (in ₹ per share)	10.00	10.00
Basic and Diluted earnings for ordinary shares (in ₹ per share)	134.57	62.77

### 39. Tax expense

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

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>Current Tax:</b>		
Current tax on profit for the year	856.46	330.00
Current tax for earlier years	(87.27)	1.05
<b>Total Current Tax (a)</b>	<b>769.19</b>	<b>331.05</b>
<b>Deferred tax:</b>		
Origination and reversal of temporary differences	145.16	154.17
Deferred tax for earlier years	48.00	(8.09)
<b>Total deferred tax (b)</b>	<b>193.16</b>	<b>146.08</b>
<b>Total tax charge:</b>	<b>962.35</b>	<b>477.13</b>
Profit before tax	3,931.28	1,862.06
<b>Effective income tax rate</b>	<b>24.48%</b>	<b>25.62%</b>

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

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>Accounting profit before tax for the year ended</b>	<b>3,931.28</b>	<b>1,862.06</b>
Indian statutory income tax rate (%)	25.168%	25.168%
Tax at Indian statutory income tax rate	989.42	468.64
Disallowable expenses	12.20	14.99
One time tax charge/(credit)	0.00	6.35
Adjustment in respect of prior years	(39.27)	(12.85)
<b>Tax charge for the year</b>	<b>962.35</b>	<b>477.13</b>

1. There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

### 39. Tax expense (Contd..)

#### (c) Deferred tax assets/liabilities (net)

The Company has recognised deferred tax assets on unabsorbed depreciation and carry forward business losses based on reasonable evidence of future taxable profits based on the Company's present estimates and business plans.

#### Significant components of deferred tax (assets) & liabilities recognized in the financial statements

Particulars	April 1, 2024	Charged / (credited) to statement of profit and loss	Charged / (credited) to other comprehensive income	Reclassified to income tax assets	March 31, 2025
Property, Plant and Equipment	1,064.50	143.44	-	-	1,207.94
Voluntary retirement scheme	(2.20)	2.20	-	-	0.00
Employee benefits	(32.93)	0.17	(0.02)	-	(32.78)
Fair valuation of derivative asset/liability	(4.99)	0.00	24.74	-	19.75
Fair valuation of other asset/liability	(0.58)	0.25	-	-	(0.33)
Others temporary differences	(147.39)	47.10	-	-	(100.28)
<b>Total</b>	<b>876.41</b>	<b>193.16</b>	<b>24.72</b>	<b>-</b>	<b>1,094.30</b>

Particulars	April 1, 2023	Charged / (credited) to statement of profit and loss	Charged / (credited) to other comprehensive income	Reclassified to income tax assets	March 31, 2024
Property, Plant and Equipment	1,031.87	32.63	-	-	1,064.50
Voluntary retirement scheme	(4.39)	2.19	-	-	(2.20)
Employee benefits	(30.68)	(4.36)	2.11	-	(32.93)
Fair valuation of derivative asset/liability	(3.70)	4.81	(6.10)	-	(4.99)
Fair valuation of other asset/liability	(3.84)	3.26	-	-	(0.58)
Unabsorbed depreciation/business losses	(97.68)	97.68	-	-	-
Others temporary differences	(157.25)	9.87	-	-	(147.39)
<b>Total</b>	<b>734.33</b>	<b>146.08</b>	<b>(3.99)</b>	<b>-</b>	<b>876.41</b>

#### (d) Non-current tax assets

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax Assets* (Net of provision of tax amounting to ₹ 102.83 as at 31 <sup>st</sup> March 2024)	-	61.29
<b>Total</b>	<b>-</b>	<b>61.29</b>

\*Non current tax assets represent income tax receivable from Indian tax authorities by the Company.

#### (e) Current Tax liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax liabilities*(Net of income tax asset)	92.77	47.32
<b>Total</b>	<b>92.77</b>	<b>47.32</b>

\*Represent income tax payable to Indian tax Authorites by the Company

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 40. Employee benefit plans

### A Defined contribution plans

#### Family pension scheme

The Company offers its employees benefits under defined contribution plan in the form of family pension scheme. Family pension scheme covers all employees on the roll. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made only by the Company based on prescribed rules of family pension scheme. The contributions are based on a fixed percentage of the employee's salary, subject to a ceiling, as prescribed in the respective scheme. A sum of ₹ 2.36 Crores (March 31, 2024: ₹ 2.31 Crores) towards family pension scheme has been charged to the statement of profit and loss during the year under the head employee benefit expense.

#### Superannuation

The Company offers benefits under defined contribution plan in the form of Superannuation fund for certain specified employees. Contributions are paid during the year into the fund. A sum of ₹ 1.75 Crores (March 31, 2024: ₹ 2.10 Crores) towards superannuation fund premium has been charged to the Statement of Profit and Loss during the year under the head employee benefit expense.

### B Defined benefit plans

#### (I) Provident fund- Funded

Bharat Aluminium Company Limited Employee's Contributory Provident Fund' ('Trust') is exempted under section 17 of Employees Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Fund. Based on actuarial valuation in accordance with Ind AS 19 and Guidance note issued by the Institute of Actuaries of India for interest rate guarantee of exempted provident fund liability of employees, there is no interest shortfall in the funds managed by the Trust that is required to be met by the Company as of March 31, 2025 and March 31, 2024. Having regard to the assets of the Trust and the return in the investments, the Company also does not expect any deficiency in the foreseeable future. A sum of ₹ 21.20 Crores (March 31, 2024: ₹ 17.19 Crores) has been charged to the statement of profit and loss in this respect during the year under the head employee benefit expense. The discount rate used for calculating the present value of the obligation is 7.03% (March 31, 2024: 7.10%). Expected rate of return on plan assets is 8.25% ( March 31, 2024: 8.25%). The present value of obligation and fair value of plan assets of the trust are summarised below:

Particulars	March 31, 2025	March 31, 2024
Fair value of plan assets	790.10	729.42
Present value of defined benefit obligations	766.47	695.72
<b>Net liability arising from defined benefit obligation of the trust</b>	<b>Nil</b>	<b>Nil</b>

Percentage allocation of plan assets of trust are as below:

Assets by category	March 31, 2025	March 31, 2024
Government securities	45.63%	46.74%
Debentures/bonds	36.46%	36.41%
Equity (includes money market)	17.91%	16.85%

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 40. Employee benefit plans (Contd..)

### (II) Gratuity - long term defined benefit plan- Funded

In accordance with the Payment of Gratuity Act, 1972, the Company contributes to a defined benefit plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company (also refer note no. 34). Based on actuarial valuations conducted as at year end using the projected unit credit method, a provision is recognised in full. The Company's defined benefit plans are funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC. During the year the Company made a contribution of ₹ 17.00 Crores (March 31, 2024: NIL) to Life Insurance Corporation of India (LIC).

### (III) Post Retirement Medical Benefits (PRMB)- Unfunded

The scheme is framed with a view to provide medical benefits to the regular employees of the Company and their spouses subsequent to their retirement on completion of tenure, retirement on medical grounds and voluntary retirement on contributory basis subject to provisions as detailed hereunder; the obligation under this plan is unfunded.

Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation.

#### Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation as at and for the year ended are as follows:

Particulars	March 31, 2025	March 31, 2024
Discount rate	7.03%	7.10%
Expected rate of increase in compensation level of covered employees	5% to 7%	5% to 7%
Medical inflation	5% to 7%	5% to 7%

Assumptions regarding mortality rates are based on mortality tables of 'Indian Assured Lives Mortality (2012-2014)' published by the Institute of Actuaries of India. Assumptions regarding post retirement mortality are based on LIC a (96-98) ultimate.

#### Details of Actuarial Valuation carried out on balance sheet date are as under:

Amount recognised in the balance sheet consists of:

Particulars	March 31, 2025		March 31, 2024	
	Gratuity	PRMB	Gratuity	PRMB
Fair value of plan assets	17.98	-	-	-
Present value of defined benefit obligations	91.35	66.17	85.02	60.20
<b>Net liability arising from defined benefit obligations</b>	<b>73.37</b>	<b>66.17</b>	<b>85.02</b>	<b>60.20</b>

Amounts recognised in the statement of profit and loss are as follows:

Particulars	March 31, 2025		March 31, 2024	
	Gratuity	PRMB	Gratuity	PRMB
Current service cost	5.30	0.74	4.95	0.89
Net Interest cost	6.04	4.27	6.08	4.92
<b>Total charge to the statement of profit and loss</b>	<b>11.34</b>	<b>5.01</b>	<b>11.03</b>	<b>5.81</b>



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 40. Employee benefit plans (Contd..)

Amounts recognised in other comprehensive income are as follows:

Particulars	March 31, 2025		March 31, 2024	
	Gratuity	PRMB	Gratuity	PRMB
Re-measurement losses arising from changes in financial assumptions	(0.22)	0.48	2.86	1.82
Re-measurement losses/(gains) arising from experience adjustments	0.30	5.99	(3.42)	(9.63)
Re measurement losses/(gains) recognised in OCI	0.08	6.47	(0.56)	(7.81)

The movement during the year of the present value of the defined benefit obligation was as follows:

Particulars	March 31, 2025		March 31, 2024	
	Gratuity	PRMB	Gratuity	PRMB
Opening balance	85.02	60.20	82.26	66.64
Current service cost	5.30	0.74	4.95	0.89
Benefits (paid)	(6.06)	(5.51)	(7.71)	(4.46)
Interest cost of scheme liabilities	6.04	4.27	6.08	4.92
Re-measurement losses/(gains) arising from changes in demographic assumptions	-	-	-	-
Re-measurement losses/(gains) arising from changes in financial assumptions	(0.22)	0.48	2.86	1.82
Re-measurement losses /(gains) arising from experience adjustments	0.30	5.99	(3.42)	(9.63)
Closing balance	90.38	66.17	85.02	60.20

The movement during the year of the present value of the defined benefit plan asset was as follows:

Particulars	March 31, 2025		March 31, 2024	
	Gratuity	PRMB	Gratuity	PRMB
Opening balance	-	-	-	-
Employer contributions	17.00	-	-	-
Benefits (paid)	-	-	-	-
Interest income	0.98	-	-	-
Remeasurement gain/(loss) arising from return on plan assets	-	-	-	-
Closing balance	17.98	-	-	-

The weighted average duration of the defined benefit obligation is 17.45 years for the year ended March 31, 2025 and 16.92 years for year ended March 31, 2024.

### C Sensitivity analysis for Defined Benefit Plan

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the balance sheet.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 40. Employee benefit plans (Contd..)

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Increase / (decrease) in defined benefit obligation	March 31, 2025		March 31, 2024	
	Gratuity	PRMB	Gratuity	PRMB
Discount rate				
Increase by 0.50%	(5.22)	(3.03)	(4.82)	(2.76)
Decrease by 0.50%	5.67	3.33	5.25	3.03
Expected rate of change in compensation level of covered employees				
Increase by 0.50%	1.46	3.07	1.55	2.79
Decrease by 0.50%	(1.49)	(3.39)	(1.66)	(3.08)

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

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

### D Risk analysis

Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

#### (1) Salary growth risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. Salary increase considered @ 7%/5% (executive and workman) (March 31, 2024 7% for executives and 5% for workmen). As such, an increase in the salary of the plan participants will increase the plan's liability. Effect of salary revisions through Long Term Settlements for workmen have also been considered.

#### (2) Life expectancy / Longevity risks

The present value of the defined benefit plan liability is calculated by reference to the best estimates of the mortality of plan participants both during and after their employment. Mortality tables as per Indian Assured Lives Mortality (2012-14) modified Ult. and LIC a (96-98) ultimate is used for during the employment and post retirement period respectively. An increase in the life expectancy of the plan participants will increase the plan's liability.

#### (3) Interest rate risks

A decrease in the bond interest rate will increase the plan liability.

#### (4) Inflation risks

The present value of the defined benefit plan liability is calculated using 7.03% inflation rate (March 31, 2024: 7.10%). As such, a decrease in the inflation rate will increase the plan's liability.

### E Compensated Absences

The Company has provided for the liability on the basis of actuarial valuation using the projected unit credit method.

Entire provision of ₹ 56.85 Crores as on March 31, 2025 and ₹ 45.82 Crores as on March 31, 2024 has been presented as current, since the Company does not have an unconditional right to defer the settlement of these obligations.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 41. Commitments, Contingencies and Guarantees

(to the extent not provided for/ recognised at)

### (i) Commitments

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>(a) Capital and other commitments</b>		
Commitments for Joint Ventures*	151.08	346.68
Capital Commitments	3,422.15	5,639.30
<b>Total</b>	<b>3,573.23</b>	<b>5,985.98</b>

\*The Company has executed new Power Delivery Agreements ("PDA") with Serentica group Companies (Serentica Renewables India 1 Private Limited, Serentica Renewables India 7 Private Limited and Serentica Renewables India 8 Private Limited , which are associates of Volcan Investments, for procuring renewable power over twenty five years from date of commissioning of the combined renewable energy power projects ("the Projects") on a group captive basis.

These Serentica group Companies were incorporated for building the Projects. During the current year, the Company has invested ₹ 195.00 Crores (March 31, 2024: ₹ 73.32 Crores) in Optionally Convertible Redeemable Preference shares ("OCRPS") of ₹ 10 each of Serentica group Companies. The Company has considered the investments as fair value through profit and loss.

These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in Company's holding twenty six percent stake in its equity. Out of the total investment, ₹ 41 Crores (31 March 2024: ₹ NIL Crores) worth of OCRPS are converted into equity shares of SRI1PL as per the terms of the PDA. As at 31 March 2025, total outstanding commitments related to PDA with Serentica Group Companies are ₹ 151.08 Crores (31 March 2024: ₹ 346.68 Crores). The Company has involved external valuations experts for the fair valuation of investments as on the balance sheet date.

### (ii) Contingencies\*

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>(a) Claims against the Company not acknowledged as debts are as follows :</b>		
i. Energy Development Cess claimed by the Government of Chhattisgarh - matter pending final hearing by the Supreme Court on Special Leave Petition filed by the Government of Chhattisgarh.	1,300.77	1,213.43
ii. Relating to Suppliers and Contractors - Matter pending in Court / arbitration.	16.61	17.10
iii. Electricity duty surcharge - Matter pending with Chhattisgarh State Electricity Board	1,159.96	1,053.05
iv. Relating to application filed alleging the use of forest land for non-forest purposes (Refer Note no 4)	156.00	156.00
v. Relating to coal block matters	131.00	131.00
vi. Regulatory and other matters	149.92	129.27
<b>(b) Indirect tax matters - Various matters decided in favour of the Company against which the department has preferred appeal or the Company is in appeal against notices received from department (Mainly on account of show cause notices received from Commissioner of Central Excise for availment of Cenvat credit on inputs/capital goods used for production of finished goods and entry tax demand for raw materials procured, disallowance of refund of GST Compensation Cess on account of power supply.)</b>	0.45	1.35
<b>Total</b>	<b>2,914.71</b>	<b>2,701.20</b>

\*Future cash outflows in respect of the above matters will be determined only on receipt of judgments / decisions pending at various forums / authorities. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has good chance of success in above mentioned matters and hence no provision against them is considered necessary.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 41. Commitments, Contingencies and Guarantees (Contd..)

### (iii) Other matters

- i) The Ministry of Environment, Forest and Climate Change (MoEF&CC) has revised emission norms for coal based power plants in India. Accordingly, both captive and independent coal-based power plants in India are required to comply with these revised norms for reduction of sulphur oxide (SOx) emissions for which the current plant infrastructure is to be modified or new equipment have to be installed. Timelines for compliance to the revised norm for various plants in the Company is December 2028. Different power plants are at different stages of the implementation process.
- ii) Income tax demands have been raised mainly on account of depreciation allowance, tax holiday benefits and interest thereon which are pending at various levels of appeals. Management considers these disallowances as not tenable against the Company, and hence considered as remote. The Company is subject to various claims and exposures which arise in the ordinary course of conducting and financing its business from the income tax and indirect tax authorities like Goods and Service Taxes. These claims and exposures mostly relate to various disallowances in the return filed, the assessable values of sales and purchases or to incomplete documentation supporting the Company's returns or other claims. Based on evaluations of the matters and legal advice obtained, the Company believes that it has strong merits in its favor. Accordingly, no provision is considered at this stage. Except as described above, there are no pending litigations which the Company believes could reasonably be expected to have a material adverse effect on the results of operations, cash flows or the financial position of the Company.
- iii) The Company has an export obligations of ₹ 1,539.77 Crores on account of import duty saved on import of capital goods under the Export Promotion of Capital Goods (EPCG) Scheme of ₹ 256.63 Crores. The Company has not defaulted in fulfilment of export obligation on account of the duty saved on import of capital goods.

### (iv) Guarantees

- i) Bank guarantees given to various agencies, suppliers and government authorities for various purposes amounting to ₹ 433.02 Crores (March 31, 2024: ₹ 594.85 Crores).

## 42. Segment information

### A Basis of segmentation

The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" ( specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015, as amended ). The Chief operating decision Maker (CODM) monitors the operating results at the Group level for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group operates in a single primary segment namely "Aluminium", which constitutes a reportable segment as per IND AS 108.

### B Geographical segment analysis

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

Particulars	March 31, 2025	March 31, 2024
<b>Revenue based on geographical information for the year ended</b>		
India	14,835.30	11,365.31
Korea	73.54	904.19
Japan	256.00	-
Turkey	370.20	195.30
Italy	52.08	99.84
China	-	173.13
Montenegro	100.61	-
Others	120.24	402.96
<b>Total</b>	<b>15,807.97</b>	<b>13,140.73</b>
<b>Carrying amount of non current assets<sup>1</sup> based on location of assets as at</b>		
India	17,699.41	14,213.73
Outside India	-	-
<b>Total</b>	<b>17,699.41</b>	<b>14,213.73</b>

1. Excluding financial assets and tax assets.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 42. Segment information (Contd..)

### C Information about major customers

During the year ended 31 March 2025 and March 31, 2024, no customer contributed to more than 10% of Revenue.

### D Disaggregation of revenue

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Sale of goods:		
- Aluminium Ingot, Alloy Ingots	8,076.63	6,918.83
- Wire rods	5,519.50	4,162.51
- Rolled products	794.85	771.57
- By product	0.00	2.89
Power wheeling	1,406.48	1,215.30
Commodity hedging gain/(loss)	10.51	69.63
<b>Total</b>	<b>15,807.97</b>	<b>13,140.73</b>

## 43. Related party disclosures

### A Names of related parties and description of relation :

#### (i) Entities controlling the Company (Holding Companies)

Vedanta Limited (VL)- Immediate Holding Company (Holding 51% equity shares in the Company)

Vedanta Incorporated {Erstwhile Volcan Investments Limited (Volcan)} (Ultimate Holding Company)

#### (ii) Related parties other than holding Companies with whom transactions have taken place during the year

##### (a) Fellow subsidiaries

Hindustan Zinc Limited (HZL)

Talwandi Sabo Power Limited (TSPL)

Electrosteel Steels Limited (ESL)

Ferro Alloys Corporation Ltd (FACOR)

Meenakshi Energy Limited (MEL)

Vedanta Semiconductors Pvt. Limited (VSPL)

Vizag General Cargo Berth Pvt. Limited (VGCB)

##### (b) Others

Serentica Renewables India 1 Private Limited - Associate of Ultimate Parent Company

Serentica Renewables India 7 Private Limited - Associate of Ultimate Parent Company

Serentica Renewables India 8 Private Limited - Associate of Ultimate Parent Company

Vedanta Medical Research Foundation (VMRF) - Public Company (registered under section 8 of The Companies Act, 2013) with common director between the Company and VMRF

BALCO Employee Provident Fund Trust- Post employment benefit plan

Runaya Refining LLP- Partners are relative of Director and KMP of Holding Company

STL Digital Limited - Fellow subsidiary of Parent Company

Sterlite Power Transmission Limited (SPTL) - Fellow subsidiary of Parent Company

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 43. Related party disclosures (Contd..)

### (iii) Related party having a significant influence

Government of India - President of India (Holding 49% shares in the Company)

### (iv) Key management personnel

(a) Non Executive Director	Mr. Tarun Jain
	Ms. Nirupama Kotru (Government nominee)
	Ms. Farida Mahmood Naik (Government Nominee)
	Mr. Mustaq Ahamad (Goverment Nominee) (from 29 <sup>th</sup> July 2024)
	Mr. Maneesh Kumar (Governemnt Nominee) (from 30 <sup>th</sup> July 2024)
	Mr. Vivek Kumar Sharma (Government Nominee) (till 23 <sup>rd</sup> July 2024)
	Mr. Sanjeev Verma (Government nominee) (till 29 <sup>th</sup> July 2024)
(b) Independent Directors	Mr. Sushil Kumar Roongta (Re-appointed w.e.f. 14 <sup>th</sup> July 2024)
	Mr. Din Dayal Jalan
	Mr. Anoop Kumar Mittal
(c) CEO and Whole-time Director	Mr. Rajesh Kumar
(d) Chief financial officer	Mr. Amit Gupta
(e) Company Secretary	Mrs. Wageesha Agarwal

### B Transactions with related parties

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>Revenue from operations</b>		
Vedanta Limited (including high sea sales)	1,083.15	752.01
HZL	62.71	44.81
SPTL	82.10	186.38
<b>Total</b>	<b>1,227.96</b>	<b>983.20</b>
<b>Rent income</b>		
Vedanta Limited	9.19	9.19
<b>Total</b>	<b>9.19</b>	<b>9.19</b>

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>Purchase of goods/services</b>		
Vedanta Limited (including high sea purchases)	2,173.35	1,087.54
STL Digital Limited	11.17	8.09
Runaya Refining LLP	31.00	28.17
Serentica Renewables India 1 Private Limited	58.68	-
<b>Total</b>	<b>2,274.20</b>	<b>1,123.80</b>
<b>Corporate Social Responsibility Expenditure</b>		
VMRF (Refer note 37(2))	-	1.50
<b>Total</b>	<b>-</b>	<b>1.50</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

### 43. Related party disclosures (Contd..)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
<b>Recovery/(reimbursement) of Expenses#</b>		
Vedanta Limited	(38.65)	(33.72)
HZL	0.00	(0.09)
TSPL	(0.11)	(0.18)
ESL	(0.00)	0.16
VGCB	-	0.04
FACOR	0.00	(0.28)
VMRF	(0.91)	(0.27)
MEL	0.24	-
VSPL	0.25	-
SPTL	0.09	-
Runaya Refining LLP	0.42	0.87
<b>Total</b>	<b>38.67</b>	<b>(33.47)</b>
<b>Purchase/(Sale) of Property, Plant and Equipments</b>		
Vedanta Limited	37.54	-
HZL	-	0.02
STL Digital Limited	-	0.23
VMRF	-	0.02
FACOR	-	(0.01)
<b>Total</b>	<b>37.54</b>	<b>0.26</b>
<b>Investments made</b>		
Serentica Renewables India 1 Private Limited	115.00	-
Serentica Renewables India 7 Private Limited	50.00	40.32
Serentica Renewables India 8 Private Limited	30.00	33.00
<b>Total</b>	<b>195.00</b>	<b>73.32</b>
<b>Remuneration to KMPs (Refer Note 34)</b>		
Short term employee benefits*	7.21	4.51
<b>Total</b>	<b>7.21</b>	<b>4.51</b>
<b>Commission/sitting fees to directors</b>	<b>0.73</b>	<b>0.72</b>
<b>Contribution to post retirement employee benefit trust</b>	<b>21.20</b>	<b>17.19</b>

#Includes reimbursement towards other expenses and employee benefits expense.

\*Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence amount cannot be determined individually.

The receivables from and payables to related parties as at March 31, 2025 and March 31, 2024 are set out below:

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Receivable from:</b>		
Vedanta Limited	14.22	6.25
HZL	3.37	2.33
ESL	0.01	0.05
SPTL	0.51	-
FACOR	-	0.14
<b>Total</b>	<b>18.11</b>	<b>8.77</b>
<b>Payable to:</b>		
Vedanta Limited	4.29	0.90
Runaya Refining LLP	2.80	2.22
SPTL	-	1.91
Serentica Renewables India 1 Private Limited	12.69	-
Balco Employees Provident Fund Trust	6.57	5.60
VMRF	0.28	0.02
STL Digital Limited	0.50	0.24
<b>Total</b>	<b>27.13</b>	<b>10.89</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

### 43. Related party disclosures (Contd..)

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Investments as on</b>		
Serentica Renewables India 1 Private Limited*	190.00	75.00
Serentica Renewables India 7 Private Limited*	90.32	40.32
Serentica Renewables India 8 Private Limited*	63.00	33.00
<b>Total</b>	<b>343.32</b>	<b>148.32</b>

\* The Company has executed new Power Delivery Agreements ("PDA") with Serentica group Companies (Serentica Renewables India 1 Private Limited, Serentica Renewables India 7 Private Limited and Serentica Renewables India 8 Private Limited , which are associates of Volcan Investments, for procuring renewable power over twenty five years from date of commissioning of the combined renewable energy power projects ("the Projects") on a group captive basis. These Serentica group Companies were incorporated for building the Projects. During the current year, the Company has invested ₹ 195 Crores (March 31, 2024: ₹ 73.32 Crores) in Optionally Convertible Redeemable Preference shares ("OCRPS") of ₹ 10 each of Serentica group Companies. The Company has considered the investments as fair value through profit and loss.

These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in Company's holding twenty six percent stake in its equity. Out of the total investment, ₹ 41 Crores (31 March 2024: ₹ NIL Crores) worth of OCRPS are converted into equity shares of SRI1PL as per the terms of the PDA. As at 31 March 2025, total outstanding commitments related to PDA with Serentica Group Companies are ₹ 151.08 Crores (31 March 2024: ₹ 346.68 Crores). The Company has involved external valuations experts for the fair valuation of investments as on the balance sheet date

#### C Terms and Conditions of transactions with related parties

Sales made to / purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Such sales / purchases generally include payment terms of 0 to 30 days from the date of invoice. Trade receivables and Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received / given against these receivables / payables.

#### D Government of India as a related party

Government of India (GOI), is also a related party as it holds 49% equity shareholding in the Company. The Company has entered into multiple transactions including but not restricted to purchase/sale of goods and services and availed loans and paid/accrued interest on the same to GOI and entities which are related parties of the GOI.

### 44. Financial instruments

#### Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note no. 3.

#### I Financial assets and liabilities as at

Particulars	March 31, 2025				
	Fair value through profit or loss	Fair value through other comprehensive income/ Derivatives designated as hedging instruments	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial assets</b>					
Cash and cash equivalents	-	-	194.48	194.48	194.48



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

Particulars	March 31, 2025				
	Fair value through profit or loss	Fair value through other comprehensive income/ Derivatives designated as hedging instruments	Amortised Cost	Total Carrying Value	Total Fair Value
Investments	1,342.66	41.00	-	1,383.66	1,383.66
Loans	-	-	0.68	0.68	0.68
Trade receivables	-	-	248.95	248.95	248.95
Derivatives	1.59	90.61	-	92.20	92.20
Other financial assets	-	-	137.53	137.53	137.53
<b>Total</b>	<b>1,344.25</b>	<b>131.61</b>	<b>581.64</b>	<b>2,057.50</b>	<b>2,057.50</b>
<b>Financial liabilities</b>					
Borrowings	-	-	3,450.93	3,450.93	3,462.31
Operational buyers' credit/suppliers' credit	-	-	684.35	684.35	684.35
Trade payables	-	-	686.83	686.83	686.83
Derivatives	5.50	9.63	-	15.13	15.13
Other financial liabilities	-	-	960.20	960.20	960.20
<b>Total</b>	<b>5.50</b>	<b>9.63</b>	<b>5,782.31</b>	<b>5,797.44</b>	<b>5,808.82</b>

Particulars	March 31, 2024				
	Fair value through profit or loss	Fair value through other comprehensive income/ Derivatives designated as hedging instruments	Amortised Cost	Total Carrying Value	Total Fair Value
<b>Financial assets</b>					
Cash and cash equivalents	-	-	281.75	281.75	281.75
Investments	148.32	-	-	148.32	148.32
Loans	-	-	0.72	0.72	0.72
Trade receivables	2.10	-	438.99	441.09	441.09
Derivatives	-	8.18	-	8.18	8.18
Other financial assets	-	-	152.41	152.41	152.41
<b>Total</b>	<b>150.42</b>	<b>8.18</b>	<b>873.87</b>	<b>1,032.47</b>	<b>1,032.47</b>
<b>Financial liabilities</b>					
Borrowings	-	-	2,050.25	2,050.25	2,055.32
Operational buyers' credit/suppliers' credit	-	-	1,038.42	1,038.42	1,038.42
Trade payables	-	-	868.69	868.69	868.69
Derivatives	28.31	30.67	-	58.98	58.98
Other financial liabilities	-	-	689.71	689.71	689.71
<b>Total</b>	<b>28.31</b>	<b>30.67</b>	<b>4,647.07</b>	<b>4,706.05</b>	<b>4,711.12</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

### II Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial Instruments	As at March 31, 2025		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Investments at fair value through profit and loss	1,040.34	-	302.32
Investments at fair value through OCI	-	-	41.00
Derivative financial assets at fair value through other comprehensive income	-	90.61	-
Derivative financial assets at fair value through profit and loss	-	1.59	-
<b>Total</b>	<b>1,040.34</b>	<b>92.20</b>	<b>343.32</b>
<b>Financial liabilities</b>			
Derivative financial liabilities at fair value through profit and loss	-	5.50	-
Derivative financial liabilities at fair value through other comprehensive income	-	9.63	-
<b>Total</b>	<b>-</b>	<b>15.13</b>	<b>-</b>

Financial Instruments	As at March 31, 2024		
	Level 1	Level 2	Level 3
<b>Financial assets</b>			
Investments at fair value through profit and loss	-	-	148.32
Derivative financial assets at fair value through other comprehensive income	-	8.18	-
Trade receivables at fair value through profit and loss	-	2.10	-
<b>Total</b>	<b>-</b>	<b>10.28</b>	<b>148.32</b>
<b>Financial liabilities</b>			
Derivative financial liabilities and MTM payable at fair value through profit and loss	-	28.31	-
Derivative financial liabilities at fair value through other comprehensive income	-	30.67	-
<b>Total</b>	<b>-</b>	<b>58.98</b>	<b>-</b>

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2025 and March 31, 2024:

Financial instruments	Level 1	Level 2	Level 3
<b>As at March 31, 2025</b>			
Non-current and current borrowings	-	2,547.47	-
Current maturities of long term borrowings	-	876.24	-
<b>Total</b>	<b>-</b>	<b>3,423.71</b>	<b>-</b>
<b>As at March 31, 2024</b>			
Non-current and current borrowings	-	1,784.79	-
Current maturities of long term borrowings	-	265.46	-
<b>Total</b>	<b>-</b>	<b>2,050.25</b>	<b>-</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Non-current borrowings including current maturity of long term borrowings: Fair value has been determined by the Company based on parameters such as interest rates, specific country risk factors, and the risk characteristics of the financed project.
- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.
- Derivative financial assets/liabilities: The Company enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques for such derivatives include forward pricing using present value calculations, foreign exchange spot and forward premium rates. Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange i.e. London Metal Exchange, United Kingdom (U.K.).
- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments. Fair value of investments are on the basis of net asset value as declared by mutual fund house as on the balance sheet date.

There has been no transfer between level 1 and level 2 during the year or previous year.

## III Risk Management Framework (Also refer note no. 47)

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The Audit Committee is aided by the CFO Committee and the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions Key business decisions are discussed at the periodic meetings of the CFO Committee and the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

### IV Treasury Management (Also refer note no. 47)

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Executive Committee meetings. Day-to-day treasury operations are managed by Company's finance teams within the framework of the overall Company's treasury policies. Long-term fund raising including strategic treasury initiatives are handled by a central team. A monthly reporting system exists to inform senior management of investments, debt, currency, commodity and interest rate derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies. The internal control measures are effectively supplemented by regular internal audits.

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

### V Commodity Price Risk (Also refer note no. 47)

The Company is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Company produces and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Company aims to sell the products at prevailing market prices. The commodity price risk in import Alumina is hedged on back-to back basis ensuring no price risk for the business. The Company aims to achieve the monthly average of the commodity prices for sales realization. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and as per strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level and with clearly laid down guidelines for their implementation by the Company.

Whilst the Company aims to achieve average LME prices for a month or a year, average realised prices may not necessarily reflect the LME price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realised on commodity contracts
- purchases and sales of physical contracts
- cash flow hedging of revenues, forecasted highly probable transactions

The requirement of the primary raw material, alumina, is partly met from own sources and the rest is purchased primarily on negotiated price terms. Sales prices are linked to the LME prices. At present the Company on selective basis hedges the aluminium content in outsourced alumina to protect its margins.

The Company also enters into hedging arrangements for its aluminium sales to realise month of sale LME prices. Since all of the provisionally priced financial instruments of the Company are hedged, movement in aluminium prices at London metal exchange would have no impact on profit after tax for the year ended March 31, 2025 and March 31, 2024.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

### VI Financial Risk (Also refer note no. 47)

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

#### (i) Liquidity Risk

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term. The Company has been rated by CRISIL RATINGS Limited, (A Subsidiary of CRISIL Limited) for its banking facilities in line with Basel II norms. During the year, CRISIL rated the Company’s long-term bank facilities a rating of AA/ Stable (pronounced as CRISIL double AA ‘Stable’).

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

Financial liabilities	<1 year	1-3 years	3-5 years	>5 years	Total
<b>As at March 31, 2025</b>					
Borrowings	903.46	1,899.64	647.83	-	3,450.93
Trade payables, operational buyers' credit and other financial liabilities	2,016.12	298.07	-	-	2,314.19
Derivative financial liabilities	15.13	-	-	-	15.13
Contractual interest obligation	18.26	-	-	-	18.26
<b>Total</b>	<b>2,952.97</b>	<b>2,197.71</b>	<b>647.83</b>	<b>-</b>	<b>5,798.51</b>
<b>As at March 31, 2024</b>					
Borrowings	265.46	963.79	821.00	-	2,050.25
Trade payables, operational buyers' credit and other financial liabilities	2,420.56	162.29	-	-	2,582.85
Derivative financial liabilities	58.98	-	-	-	58.98
Contractual interest obligation	13.97	-	-	-	13.97
<b>Total</b>	<b>2,758.97</b>	<b>1,126.08</b>	<b>821.00</b>	<b>-</b>	<b>4,706.05</b>

The Company had access to following funding facilities:

Funding facility	Total Facility	Drawn	Undrawn
<b>As at March 31, 2025</b>			
Fund based limit	4,248.65	3,462.31	786.34
Non fund based limit	3,114.14	1,747.84	1,366.30
<b>Total</b>	<b>7,362.79</b>	<b>5,210.15</b>	<b>2,152.64</b>
<b>As at March 31, 2024</b>			
Fund based limit	4,175.16	2,055.32	2,119.84
Non fund based limit	3,295.96	2,225.87	1,070.09
<b>Total</b>	<b>7,471.12</b>	<b>4,281.19</b>	<b>3,189.93</b>

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

### Collateral

The Company has hypothecated all of its trade receivables and cash and cash equivalents in order to fulfill the collateral requirements for the financial facilities in place. The counterparties have an obligation to return the securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

### (ii) Foreign exchange Risk

Fluctuations in foreign currency exchange rates may have an impact on the statements of profit and loss, the statement of change in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Exposures on foreign currency loans are managed through the Company’s hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged.

The Company uses forward exchange contracts to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions and loans denominated in foreign currencies. The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk on financing transactions and loans are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns and hedged as per Company’s hedging policy. However, all new long-term borrowing exposures are being hedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the statements of profit and loss and statements of other comprehensive income. The exposure summarised below is mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on “Derivative financial instruments”

The Company’s presentation currency is the Indian Rupee (INR). The majority of the assets are located in India and the Indian Rupee is the functional currency for the Indian operating business. Natural hedges available in the business are identified at each entity level and hedges are placed only for the net exposure. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns, where cost of the project is calculated taking into account the hedge cost. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

Particulars	Financial assets		Financial liabilities	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
INR	1,929.48	885.78	4,424.08	3,204.77
USD	127.45	146.69	1,308.25	1,348.70
Others	0.57	-	65.11	152.58
<b>Total</b>	<b>2,057.50</b>	<b>1,032.47</b>	<b>5,797.44</b>	<b>4,706.05</b>

The Company’s exposure to foreign currency arises where a Company entity holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity, with US dollar being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 10% against the functional currency of the respective entities.

A 10% appreciation/depreciation of the respective foreign currencies with respect to the functional currency would result in net decrease/increase in the Company's profit or loss and equity for the year by ₹ 163.81 Crores (March 31, 2024: ₹ 135.46 Crores).

### (iii) Interest rate risk

The Company is exposed to interest rate risk on short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. The US dollar debt is split between fixed and floating rates (linked to US dollar LIBOR) and the Indian Rupee debt is principally at fixed interest rates. These exposures are reviewed by appropriate levels of management on a monthly basis. The Company invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax-free return, to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

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

The exposure of the Company's financial assets and financial liabilities to interest rate risk is as follows

Particulars	Floating rate	Fixed rate	Non-interest bearing	Total	Weighted average interest rate (fixed rate)	Weighted average period for which the rate is fixed (in year)
<b>Financial assets</b>						
As at March 31, 2025	-	138.52	1,918.98	2,057.50	6%	95%
As at March 31, 2024	-	43.43	989.04	1,032.47	6%	95%
<b>Financial liabilities</b>						
As at March 31, 2025	3,450.93	684.35	1,662.16	5,797.44	7%	9%
As at March 31, 2024	2,050.24	1,038.41	1,617.40	4,706.05	7%	9%

The table below illustrates the impact of a 0.5% to 2.0% movement in interest rates on interest expense on loans and borrowings. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	As at March 31, 2025	As at March 31, 2024
0.50%	17.25	10.25
1.00%	34.51	20.50
2.00%	69.02	41.00

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

### (iv) Counterparty and concentration of credit risk

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

The Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, short-term investments, financial guarantees and derivative financial instruments.

Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of national standing. The history of trade receivables shows a negligible provision for bad and doubtful debts / allowances of impairment on financial assets. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds. The carrying value of the financial assets other than cash represents the maximum credit exposure.

The Company's maximum exposure to credit risk is ₹ 2,057.49 Crores and ₹ 1032.47 Crores as at March 31, 2025 and March 31, 2024 respectively.

Particulars	As at March 31, 2025	As at March 31, 2024
Neither impaired nor past due	216.27	51.87
Past due		
- Less than 1 month	1.95	198.67
- Between 1-3 months	-	107.24
- Between 3-12 months	7.38	60.43
- Greater than 12 months	161.56	176.01
<b>Total</b>	<b>387.16</b>	<b>594.22</b>

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'Past due' in the above table are those that have not been settled within the terms and conditions that have been agreed with those customers. However, considering the facts of those cases, the Company considers them as fully recoverable within one year except for certain power receivable of ₹ 185.78 (₹ 174.37 as at March 31, 2024) Crores, recovery of which depends on resolution of the coal wholesale price indexation and change in law matter with the customer and final order of CSERC.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

Movement in allowances for Financial Assets (Trade receivables and financial assets - others)

Particulars	Trade receivables	Financial assets - others
<b>As at 01 April 2023</b>	<b>34.10</b>	<b>-</b>
Allowance made during the year	58.53	1.91
Exchange differences		
less: Written off	(34.10)	-
<b>As at 31 March 2024</b>	<b>58.53</b>	<b>1.91</b>
Allowance made during the year	4.68	(0.89)
Exchange differences	-	-
less: Written off	-	-
<b>As at 31 March 2025</b>	<b>63.21</b>	<b>1.02</b>

## VII Derivative Financial Instruments

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

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value, generally based on quotations obtained from financial institutions or brokers. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and noncurrent assets and liabilities. Derivatives that are designated as hedges are classified as current or non-current depending on the maturity of the derivative.

The Company uses derivative instruments as part of its management of exposures to fluctuations in foreign currency exchange rates and commodity prices. The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

### (i) Cash Flow Hedges

The Company also enters into forward exchange contracts and commodity price contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statements of profit or loss. These hedges have been effective for the year ended March 31, 2025 and March 31, 2024.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

The majority of cash flow hedges taken out by the Company during the year comprise derivative hedging instruments for hedging the commodity price risk of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ending March 31, 2026 and consequently may impact the statement of profit or loss for that year depending upon the change in the commodity prices and foreign exchange rates movements.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

### (ii) Fair Value Hedges

The fair value hedges relate to forward covers taken to hedge currency exposure and commodity price risks.

The Company's part of sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Company enters into futures contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. Fair value changes on such forward contracts are recognized in the statement of profit or loss.

### (iii) Non Qualifying Hedges

The Company enters into derivative contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Hedging instruments include aluminium future contracts on the LME and certain other derivative instruments, including contracts on capital commitments. Fair value changes on such derivative instruments are recognized in the statements of profit or loss.

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

Derivative Financial Instrument <sup>(c)</sup>	As at March 31, 2025		As at March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
<b>Current</b>				
<b>Cash flow hedge<sup>(a)</sup></b>				
- Commodity contracts	80.78	0.04	-	21.92
- Forward foreign currency contracts	-	-	-	-
<b>Fair Value hedge<sup>(b)</sup></b>				
- Commodity contracts	9.83	9.59	8.18	8.76
- Forward foreign currency contracts	-	-	-	-
<b>Non - qualifying hedges<sup>(b)</sup></b>				
- Commodity contracts	-	0.02	-	1.81
- Forward foreign currency contracts	1.59	5.48	-	26.50
<b>Total Current</b>	<b>92.20</b>	<b>15.13</b>	<b>8.18</b>	<b>58.99</b>

Refer statement of profit and loss and statement of changes in equity for the change in the fair value of cash flow hedges.

Refer Balance Sheet for non-current and current derivative receivables and payables.

**Derivative contracts entered into by the Company and outstanding as at Balance Sheet date :**

### (a) Hedged Foreign currency exposure :

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

Particulars	As at March 31, 2025	As at March 31, 2024
Forex forward cover (buy)	1,567.81	2,659.27
Forex forward cover (sell)	-	-

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 44. Financial instruments (Contd..)

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Purchase	Sale	Purchase	Sale
Forwards / Futures				
Aluminium (MT)	35,025.00	44,900.00	30,150.00	15,000.00

All derivative and financial instruments acquired by the Company are for hedging purposes only.

(b) Unhedged foreign currency exposure is as under:-

Particulars	As at March 31, 2025	As at March 31, 2024
Payables	1,373.36	1,501.28
Receivables	128.02	146.69

(c) The Company enters into certain contracts where the prices are provisional.

Outstanding position of such contracts are as follows:

Particulars	As at March 31, 2025		As at March 31, 2024	
	MT	Amount	MT	Amount
Sale of Aluminium	2,875	61.88	2,250.00	42.57

## 45. Critical estimates and judgements in applying accounting policies

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

### i) Property, plant and equipment and useful life of property, plant and equipment and intangible assets

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. For mining asset, the depreciation is charged based on unit of production method. For the estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

### ii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cashflow (DCF) model. The cash flows are derived from the budget for the remaining useful lives of assets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to other intangibles with indefinite useful lives recognised by the Company. During the year, Management assessed indicators of impairment in the Aluminium business of the Company, considering that as a single cash-generating unit, and identified no triggers to test the assets for impairment.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 45. Critical estimates and judgements in applying accounting policies (Contd..)

### iii) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer note nos. 22, 28 and 41 (ii) and 41 (iii))

### iv) Provisions for site restoration

In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs. The carrying amount of the provision as at March 31, 2025 is ₹ 11.64 Crores (‘March 31, 2024 : ₹ 11.50 Crores). The Company estimates that the costs would be realised upon the expiration of the lease and calculates the provision using the DCF method based on discount rate of 7.2%. If the estimated pre-tax discount rate used in the calculation had been 1%higher than management’s estimate, the carrying amount of the provision would have been ₹ 1 Crores lower (Refer note no. 21).

### v) Defined benefit plan

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of Government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality table. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates (Refer note no. 40).

### vii) Recoverability of deferred tax and other income tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Deferred tax assets on unabsorbed depreciation/business loss have been recognised based on future profits. Further details on taxes are disclosed in note no. 39.

### viii) Recoverability of CSR pre-spent assets

CSR pre-spent assets are recognised to the extent that it is probable that there will be CSR obligations available against which the assets can be utilised. Significant management judgement is required to determine the amount of CSR pre-spent assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 45. Critical estimates and judgements in applying accounting policies (Contd..)

### viii) Revenue recognition and receivable recovery in relation to the power segment

In certain cases, the Company's power customers are disputing claims raised by the Company on account of change in law and retrospective change in wholesale price index of cost made by CERC. Significant judgement is required in both assessing the revenue to be recognised in accordance with Ind AS 115 and to assess the recoverability of the amount accounted for as receivables. In assessing this critical judgment, management considered favourable court orders the Company has received in relation to such claims. In addition, the fact that the contracts are with Government owned Companies implies that the credit risk is low (Refer note no. 7).

### ix) Climate Change

The Company as part of Group plan aims to achieve net carbon neutrality by 2050, has committed reduction in emission intensity by 30% by 2030 from 2021 baseline, as part of its climate risk assessment and has outlined its climate risk assessment and opportunities in the ESG strategy. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products and services, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term. The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) review of estimates of useful lives of property, plant and equipment, (c) recoverable amounts of existing assets, (d) assets and liabilities carried at fair value. The Company's strategy consists of mitigation and adaptation measures. The Company is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. Renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. The Company has also taken certain measures towards water management such as commissioning of Effluent treatment plants, sewage treatment plants, rainwater harvesting, and reducing fresh water consumption. These initiatives are aligned with the Company's ESG strategy and no material changes were identified to the financial statements as a result. As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in Company's climate change strategy, changes in environmental laws and regulations and global decarbonization measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

### x) Expected Credit Loss

The Company has identified aged and disputed receivables and has discounted these recognising an ECL expense in the Income Statement. A discounting rate of 8.5% is used considering a Weighted Average Cost of Capital over a period of 5 years.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

## 46. Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value . The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity ,internal fund generation and borrowed funds.. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves (total reserves excluding cash flow hedges, debenture redemption reserve and capital reserve). The following table summarizes the capital of the Company:

Particulars	As at March 31, 2025	As at March 31, 2024
Share capital	220.62	220.62
Free reserves	11,867.56	8,905.17
Equity (A)	12,088.18	9,125.79
Cash and cash equivalents	194.48	281.75
Short term investments	1,040.34	-
Total cash (B)	1,234.82	281.75
Short-term borrowings	27.22	-
Long-term borrowings	2,547.47	1,784.79
Current Maturity of long term borrowings	876.24	265.46
Total debt (C)	3,450.93	2,050.25
Net debt D=(C-B)	2,216.11	1,768.50
Total capital (equity + net debt)	14,304.29	10,894.29
Net debt to equity ratio (E=D/A)	0.18	0.19

47. The following matters have been considered by the management in determining the appropriateness of the going concern assumption for preparation of these financial statements:

- The entity expects that the net cash inflows from operating activities, which includes management assumptions regarding timing of settlement of certain current liabilities, in conjunction with the line of credit will be sufficient to cover the net current asset deficiency of near future.
- Crisil rating of A1+ for Company's non-fund based banking facilities gives confidence to raise the short-term funds, whenever required.
- Crisil assigned fund based banking facilities a rating of AA/ Stable which can also be helpful to raise long term funds, if necessary
- Operational buyers'/suppliers' credit outstanding as on March 31, 2025 might be rolled over or replaced with fresh buyers'/suppliers' credit for purchase of imported raw materials in normal course.
- In the previous years also, current liabilities of the Company have been higher than current assets. However, the Company has been able to continue without any reduction in operation.

The management is confident that the entity will be able to meet its working capital liabilities through the normal cyclical nature of receipts and payments and hence, these financial statements have been prepared adopting the going concern assumption.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

### 48. The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	March 31, 2025	March 31,2024	Variance	Reasons
a) Current ratio	Current Assets	Current Liabilities	0.74	0.56	32%	Current Ratio has increased due to proportionate elevation in current assets
b) Debt-Equity ratio	Total Debt incl. lease liabilities	Shareholder's Equity	0.28	0.22	26%	Debt Equity ratio has increased due to borrowings taken during the year
c) Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non - cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.88	5.27	-45%	Debt service coverage ratio has decreased due to increase in interest expense and principal repayments.
d) Return on equity ratio (%)	Net Profits after taxes -Preference Dividend	Average Shareholder's Equity	27.91%	16.42%	70%	Return on equity ratio has improved due to increase in net profit during the year..
e) Inventory turnover ratio	Revenue from operations	Average Inventory	11.62	9.02	29%	Increase in inventory turnover ratio due to increase in profit during the year.
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	45.82	29.83	54%	Trade receivable turnover ratio increased due to increase in Revenue during the year.
g) Trade payables turnover ratio	Purchases	Average Trade Payables	8.79	4.36	102%	Trade Payables Turnover ratio has increased due to increase in purchases for the year.
h) Net capital turnover ratio	Revenue from operations	Working capital = Current assets -Current liabilities	*	*	*	-
i) Net profit ratio (%)	Profit after Tax	Revenue from operations	18.78%	10.54%	78%	Net Profit Ratio has increased due to significant increase in net profit during the year.
j) Return on capital employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	24.78%	17.04%	45%	Return on capital employed ratio has increased due to significant increase in earnings before tax during the year
k) Return on investment(%)	Income from Investments measured at FVPTL	Average investment	4.40%	4.57%	-4%	

\*Net working capital is negative.

\*\*All the ratios are in times unless specified.

### 49. Relationship with struck off Companies:

There were no transactions with Companies struck off under section 248 of the Companies Act, 2013 during the financial year.

# Notes to the Financial Statements

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

### 50. Other Statutory Information

- The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 51. 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 except that audit trail feature was enabled in the SAP application for direct changes to data in certain database tables for part of the year i.e. from 3<sup>rd</sup> March, 2025 . Further no instance of audit trail feature being tampered with was noted in respect of the software. Additionally, the Company has preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year ended March 31, 2025 to the extent it was enabled and recorded during the year ended March 31, 2025.

### 52. Subsequent Events

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

As per our report of even date

For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Pramod Kumar Bapna**  
Partner  
Membership No. 105497

Place: New Delhi  
Date: April 22, 2025

For and on behalf of the Board of Directors

**S K Roongta**  
Director  
DIN: 00309302  
Place: New Delhi

**Amit Gupta**  
Chief Financial Officer

**Rajesh Kumar**  
CEO & Whole-time Director  
DIN: 09586370  
Place: New Delhi

**Wageesha Agarwal**  
Company Secretary  
ICSI Membership No. A67456

Place: New Delhi  
Date: April 22, 2025



# Notes

[illegible]



**Bharat Aluminium Company Limited**

Aluminium Sadan, Core-6, Scope Office Complex,  
7 Lodhi Road, New Delhi - 110 003

