Board's Report

Dear Members,

The Board of Directors are pleased to present the 79th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2026.

Summary of Financial Performance

Consequent to the merger of Crestia Polytech Private Limited, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries) with the Company effective from March 31, 2026, with the appointed date being April 5, 2024, the standalone financial statements of the Company for FY26 include the financials of the said wholly owned subsidiaries and accordingly figures of FY25 have also been restated.

The financial performance of the Company for the financial year ended March 31, 2026 is summarised below:

(₹ in crore)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Total Income	2,511.44	2,424.15	3,785.11	3,644.70
Earnings before Interest, Depreciation, Amortization & Tax	145.76	104.65	64.28	88.05
Less : Interest	36.08	36.79	68.23	68.24
Depreciation & Amortization	87.53	85.19	151.40	144.08
Profit/(Loss) Before Tax and Exceptional items	22.15	(17.33)	(155.36)	(124.28)
Add/(Less): Exceptional items / Profit / (Loss) from JV	(34.79)	81.89	39.35	80.82
Profit/(Loss) before tax for the year	(12.64)	64.56	(116.01)	(43.46)
Less: Tax expense	1.41	10.97	3.55	(10.55)
Profit/(Loss) after tax for the year	(14.05)	53.59	(119.56)	(32.90)
Other Comprehensive Income/(Loss) (Net of tax)	(0.28)	(0.73)	41.15	5.15
Total Comprehensive Income/(Loss) for the year	(14.33)	52.86	(78.42)	(27.75)
Basic Earnings Per Share (₹)	(18.63)	71.07	(158.55)	(43.63)
Diluted Earnings Per Share (₹)	(18.63)	71.07	(158.55)	(43.63)

Revenue

BirlaNu achieved a net revenue from operations of ₹ 2,427 crore as against ₹ 2,390 crore in the previous year on standalone basis, an increase of 2% and on consolidated basis registered a net revenue from operation of ₹ 3,730 crore as against ₹ 3,615 crore in the previous year recording an increase of 3%.

With the addition of new capacities and introduction of new products, the Company anticipates a positive growth momentum in the coming year.

Interest & Loans

Interest cost for the financial year 2025-26 has remained largely stable at ₹ 36.08 crore on a standalone basis as against ₹ 36.79 crore during the previous year. On consolidated basis, interest cost for the financial year 2025-26 stood at ₹ 68.23 crore as against ₹ 68.24 crore in the previous year.

At a standalone level, borrowings increased marginally, despite additional borrowings towards the acquisition of Clean Coats and capex for capacity enhancement, primarily due to efficient working capital management. The overall interest cost, however, remained at a similar level, supported by a reduction in interest rates.

As on March 31, 2026, the Company has outstanding borrowings of ₹ 458 crore on standalone basis and ₹ 852 crore on consolidated basis. The debt equity ratio on consolidated basis stood at 0.77 times as of March 31, 2026 as against 0.59 times as of March 31, 2025.

Profit Before Tax

During the year under review, BirlaNu registered a profit before tax (PBT) of ₹ 22.15 crore (excluding exceptional items) on a standalone basis, as against a loss before tax of ₹ 17.33 crore in the previous year. This improvement was driven by volume growth across most product categories and cost optimisation initiatives undertaken during the year, which partially offset the impact of lower price realisation across most product categories. The Company also witnessed volatility in resin prices during the year, arising from geopolitical developments in Western Asia.

Loss before tax (excluding exceptional items) on a consolidated basis for the financial year 2025-26 stood at ₹ 155.36 crore as against loss before tax of ₹ 124.28 crore in the previous year, largely due to the continued weak demand for flooring products in the European market.

In the standalone financial statements, exceptional items include a provision for diminution in the value of equity investment in BirlaNu International GmbH amounting to ₹ 74 crore, based on independent impairment assessment and profit of ₹ 39 crore on sale of certain non-core assets. The profit on sale of non-core assets has also been recognised in the consolidated financial statements.

Net Worth

On a consolidated basis, the net worth of the Company as on March 31, 2026 stood at ₹ 1,110 crore as against ₹ 1,211 crore in the previous year.

The consolidated earnings per share (basic) for the financial year ended March 31, 2026 stood at ₹ (158.55) per share as against ₹ (43.63) per share for the financial year ended March 31, 2025.

A detailed segment-wise business performance of the Company for the financial year 2025-26 is included in the Management Discussion and Analysis report forming part of this Annual Report.

Acquisition

During the financial year 2025-26, the Board of Directors approved acquisition of 100% equity share capital of Clean Coats Private Limited ("Clean Coats") on the terms and conditions as agreed under the Share Purchase Agreement ("SPA") (includes amendment(s) and addendum(s) thereof) to strengthen the Company's business in the construction chemicals segment.

As per the terms of the said SPA, the Company acquired 100% of the paid-up equity share capital of Clean Coats on November 11, 2025, thereby making Clean Coats a wholly owned subsidiary of the Company with effect from the same date.

Dividend

The Board at its meeting held on May 12, 2026 has recommended a final dividend of ₹ 15/- (i.e. 150%) per equity share of ₹ 10/- each for the financial year 2025-26. The dividend pay-out is subject to the approval of the shareholders at 79th Annual General Meeting of the Company.

As per Income Tax Act, 1961, as amended, dividend declared/paid after April 1, 2020 will be taxable in the hands of the shareholders. Shareholders are requested to visit https://cms.birlanu.com/public/media/2025/03/13/faqs-on-tds.pdf.

The Company has fixed Thursday, July 30, 2026 as the "Record Date" for the purpose of determining the entitlement of shareholders to receive the final dividend for the financial year ended March 31, 2026.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Board of Directors of the Company have adopted a Dividend Distribution Policy. The policy lays down a broad framework and factors which the Board would consider for deciding the distribution of dividend to its shareholders. The said policy is available on the Company's website https://cms.birlanu.com/public/media/2025/03/13/dividend-distribution-policy-2021.pdf.

Transfer to General Reserves

During the year under review, the Company has not transferred any amount to General Reserves.

Share Capital

Consequent to the Scheme of Amalgamation of Crestia Polytech Private Limited (a wholly owned subsidiary of BirlaNu Limited) and Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries of Crestia Polytech Private Limited and step-down subsidiaries of BirlaNu Limited) (collectively referred to as the "Transferor Companies") with BirlaNu Limited (the "Transferee Company" or the "Company") becoming effective on March 31, 2026, the Authorised Share Capital of the Company increased from ₹ 10,00,00,000 (Ten crore) divided into 95,00,000 (Ninety-five lakh) Equity shares of ₹ 10/- each, and 50,000 (Fifty thousand) preference shares of ₹ 100/- each to ₹ 36,15,00,000 (Thirty Six crore Fifteen lakh) divided into 3,56,50,000 (Three crore Fifty Six lakh Fifty Thousand) equity shares of ₹ 10/- each and 50,000 (Fifty thousand) preference shares of ₹ 100/- each. Accordingly, the capital clause of Memorandum of Association of the Company has been updated.

The paid-up equity share capital as on March 31, 2026 was ₹ 754.09 lakh divided into 75,40,899 equity shares of ₹ 10/- each. During the year under review, there was no change in the paid-up equity share capital of the Company.

Listing with Stock Exchanges

The equity shares of the Company continue to be listed on National Stock Exchange of India Limited and BSE Limited. Annual listing fees for the financial year 2026-27 has been paid to these exchanges within the prescribed timelines. There was no suspension in trading of the equity shares of the Company during the financial year 2025-26.

Management Discussion and Analysis

A report on Management Discussion and Analysis is appended to this report as per the requirements of SEBI Listing Regulations.

Board of Directors, its Committees and their Meetings

The Company has a professional Board with an optimum combination of executive, non-executive and independent directors, including woman directors, who bring in the right mix of knowledge, skill and expertise.

The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders.

As per the declarations received by the Company, none of the Directors are disqualified under Section 164(2) and other applicable provisions of the Companies Act, 2013 ("the Act"). Certificate on non-disqualification as required under Regulation 34 of SEBI Listing Regulations forms part of the Corporate Governance Report.

During the financial year, 5 (five) meetings of Board of Directors of the Company were convened and held in accordance with the provisions of the Act and Secretarial Standards issued by the Institute of Company Secretaries of India. The date(s) of the Board Meeting and attendance of the Directors are given in the Corporate Governance Report forming part of this annual report. The time-gap between any two consecutive meetings was within the period prescribed under the Act and SEBI Listing Regulations.

The Board has constituted the following five Committees:

1. Audit Committee
2. Nomination and Remuneration cum Compensation Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details of all the above Committees along with their terms of reference, composition, number of meetings and attendance at the meetings are provided in detail in the Corporate Governance Report annexed to this Board's Report.

Changes in Directors and Key Managerial Personnel

During the period under review, there were no changes to the Board of Directors of your Company.

In accordance with provisions of Section 152 of the Act and pursuant to Articles of Association of the Company, Ms. Amita Birla (DIN: 00837718) Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

The brief details with respect to appointment of Ms. Amita Birla, as required to be disclosed in accordance with Regulation 36 of SEBI Listing Regulations, Companies Act, 2013 and Secretarial Standards are included in the notice of the ensuing Annual General Meeting forming part of this Annual Report.

Apart from receiving directors' remuneration and sitting fee, no Non-executive Director except Ms. Nidhi Killawala, who is partner in Khaitan & Co. LLP, and Mr. CK Birla, Chairman, and Ms. Amita Birla, Non-executive Director who are relatives of Ms. Avanti Birla, President-Strategy had any pecuniary relationship with the Company. The details of transactions entered into with Khaitan & Co. LLP and its affiliate firms and Ms. Avanti Birla forms part of the notes to the financial statements of the Company for the financial year 2025-26. (Refer note no. 40).

In terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based upon declarations received from Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and that they are independent of the management.

Further, in the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs. Independent Directors are not subject to retire by rotation. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Board members and Senior Management and Codes under SEBI (Prohibition of Insider Trading) Regulations, 2015.

In terms of provisions of Section 203 of the Act, during the financial year 2025-26 there was no change in the key managerial personnel of the Company and the following continued to hold their respective offices as on March 31, 2026:

i. Mr. Akshat Seth, Managing Director & CEO
ii. Mr. Ajay Kapadia, Chief Financial Officer
iii. Ms. Nidhi Bisaria, Company Secretary and Compliance Officer

Board Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, every year a formal evaluation of the performance of the Board, its Committees, the Chairman and the individual directors is conducted. Structured forms covering evaluation of the Board, the Committees of the Board, the Chairperson, Independent Directors and Non-Independent Directors are devised for evaluation by all the Directors. Each Director is rated against various criteria such as composition of the Board, receipt of regular inputs and information, functioning, performance and structure of the Board Committees, skill set, knowledge and expertise of directors, preparation and contribution at the Board meetings, leadership, etc.

The Board reviews the key skills/expertise/competence of the Directors, so that the Board of Directors comprises of a diverse and multidisciplinary group of professionals with requisite skills/expertise/competence who can contribute towards providing strategic direction to the Company's management upholding the highest standards of Corporate Governance.

Further, as per the SEBI Listing Regulations, the following is the matrix of skills and competencies on which all the Directors are evaluated:

- Governance and Board service
- Business understanding
- Risk/Legal/Regulatory compliance
- Information Technology/ Accounting/ Financial experience
- Industry/Sector knowledge
- Strategy development and implementation

In a separate meeting of Independent Directors, performance of Non-Independent Directors (NEDs), the Board as a whole and the Chairman of the Company was evaluated. The performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. The evaluation was carried out in terms of the Nomination, Remuneration & Evaluation Policy of the Company. The Nomination and Remuneration cum Compensation Committee of the Company annually reviews the performance evaluation process.

The evaluation process confirms that the Board and its Committees continue to operate effectively and that the performance of the Directors meets expectations.

Familiarisation Program for Independent Directors

In addition to giving a formal appointment letter to the newly appointed Independent Director on the Board, a detailed induction plan covering the role, function, duties, responsibilities and the details of compliance requirements expected from the director under the Companies Act, 2013 and relevant Regulations of SEBI Listing Regulations are given and explained to the new Director.

Pursuant to Regulation 25(7) of SEBI Listing Regulations, conducting familiarization programmes for the Independent Directors in the Company is a continuous process, whereby Directors are informed, either through presentations at the Board or the Committee meetings, board notes, interactions or otherwise about industry outlook, business operations, future strategies, business plans, competitors, market positions, products and new launches, internal and operational controls over financial reporting, budgets, analysis on the operations of the Company, etc.

Pursuant to Regulation 46 of SEBI Listing Regulations, the details required are available on the Company's website https://cms.birlanu.com/public/media/2026/04/08/familiarization-program-2025-26.pdf.

Policy on Directors' Appointment and Remuneration

The Company endeavours to have an appropriate mix of executive, non-executive and independent directors to maintain independence from the management and they continuously provide guidance on appropriate governance. The selection and appointment of Board members are done on the recommendations of the Nomination and Remuneration cum Compensation Committee. The appointments are based on meritocracy and having due regard for diversity. While evaluating the candidature of an independent director, the Committee abides by the criteria for determining independence as stipulated under the Companies Act, 2013 and the SEBI Listing Regulations. In case of re-appointment of directors, the Board takes into consideration the results of the performance evaluation of the directors.

The Nomination, Remuneration & Evaluation Policy for Directors, Key Managerial Personnel and Senior Management is placed on the website of the Company and can be accessed through the web link https://cms.birlanu.com/public/media/2025/03/19/nomination-remuneration-evaluation-policy.pdf.

The objective of the Company's remuneration policy is to attract, motivate and retain qualified and expert individuals that the Company needs to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company's stakeholders.

Corporate Social Responsibility (CSR)

The Board has constituted a CSR Committee and has a well-defined policy on CSR as per the requirement of Section 135 of the Companies Act, 2013, which covers the activities as prescribed under Schedule VII of the Act. The details about the CSR Committee are provided in the Corporate Governance Report, which forms part of this Report.

During the financial year 2025-26, the Company was required to spend ₹ 199.15 lakh, i.e., 2% of average of the net profits of last three financial years, on CSR activities and the actual fund allocated and spent during the financial year 2025-26 on CSR activities was ₹ 210.92 lakh. Accordingly, the excess CSR spend of ₹ 11.77 lakh is carried forward for set off against the CSR obligation of the Company up to succeeding three financial years, i.e., up to financial year 2028-29. The Annual Report on CSR Activities, pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms part of this Report as Annexure I.

The CSR policy of the Company is placed on the Company's website and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/csr-policy.pdf.

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company for the financial year 2025-26 can be accessed through the web link on the Company's website https://cms.birlanu.com/public/media/2026/04/14/annual-return-mgt-7-2025-26.pdf.

Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013 and on the basis of compliance certificate received from the executives of the Company and subject to disclosures in financial statements, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time and to the best of their knowledge and information furnished, the Board of Directors state that:

I. In preparation of the Annual Accounts for the financial year ended March 31, 2026, all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and Companies Act, 2013 have been followed and there were no material departures.

II. They have adopted 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 and of the loss of the Company for the financial year ended March 31, 2026.

III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. The Annual Accounts for the financial year ended March 31, 2026 have been prepared on a going concern basis.

V. Proper internal financial controls were in place and that the financial controls were adequate and operating effectively.

VI. The systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Risk Management

The Company has constituted a Risk Management Committee of the Board to review the enterprise risk management plan/process of the Company. The Risk Management Committee identifies potential risks, assesses their potential impact and develops strategies to mitigate the risks. Periodic follow-ups to monitor the status of strategies/actions initiated to mitigate the risks is also conducted.

The Company has a Risk Management Policy which is approved and reviewed by the Board from time to time. The Risk Management Policy acts as an overarching statement of intent and establishes the guiding principles by which risks are identified, assessed and mitigated across the organization. The Board reviews the risks associated with the enterprise periodically and oversees the implementation of various aspects of the Risk Management Policy through a duly constituted Risk Management Committee ("RMC"). The RMC assists Audit Committee/ the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall Enterprise Risk Management ("ERM") Framework.

There are no risks identified by the Board which may threaten the existence of the Company. Please refer detailed section on risk management covered in the Management Discussion and Analysis which is an integral part of this Annual Report.

The details about composition of the Risk Management Committee, its meetings and attendance are provided in Corporate Governance Report which forms part of this Annual Report.

Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a detailed report on Corporate Governance forms an integral part of this Annual Report and is set out as a separate section.

The certificate of M/s. B S R and Co, (ICAI Firm Registration Number 128510W), Chartered Accountants, the Statutory Auditors of the Company, certifying compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations is annexed with the Report on Corporate Governance. The Auditors' certificate for the financial year 2025-26 does not contain any qualification, reservation or adverse remark.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Vigil Mechanism

The Company has in place a robust vigil mechanism through a Whistle Blower Policy to deal with instances of illegal practices, unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy.

Adequate safeguards are provided against victimization to those who take recourse to the mechanism. The details of the Whistle Blower Policy are explained in the Corporate Governance Report. The Whistle Blower Policy is available on the Company's website and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/whistle-blower-policy.pdf.

The complaints received under Whistle Blower Policy are investigated thoroughly and detailed update including action taken, if any, on the same are presented to the Audit Committee and Statutory Auditors of the Company. Three complaints were received during the financial year 2025-26, two of them have been resolved with appropriate action and one was pending for resolution as on March 31, 2026.

Policy on Prevention of Sexual Harassment at Workplace

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Prevention of Sexual Harassment at Workplace Act, 2013 and the Rules thereunder. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

The details of the number of cases filed under sexual harassment and their disposal, during the financial year 2025-26 is as under:

Number of cases pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
Number of cases pending as on the end of the financial year	Nil
Number of workshops or awareness programs against sexual harassment carried out	The Company regularly conducts necessary awareness programs for its employees and all employees are provided detailed education during the induction.
Nature of action taken by the employer or district officer	Not Applicable

Related Party Transactions

In line with the requirements of the Act and SEBI Listing Regulations, as amended from time to time, the Company has formulated a Policy on Related Party Transactions ("RPT Policy") for identifying, reviewing, approving and monitoring of Related Party Transactions and the same is uploaded on the website of the Company and can be accessed through the web link: https://cms.birlanu.com/public/media/2025/03/13/related-party-transaction-policy.pdf.

All related party transactions were at arm's length basis and in the ordinary course of business. All the related party transactions were reviewed and approved by the Audit Committee/ Board, as may be applicable. With a view to ensure continuity of day-to-day operations, an omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis, from the Audit Committee/Board. A statement giving details of all related party transactions entered pursuant to the omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review.

During the year under review, the Company entered into one material related party transaction i.e. payment of remuneration to Ms. Avanti Birla, a related party within the definition of Section 2(76) of the Act, occupying the office or place of profit in the Company and the same are approved by the Audit Committee, the Board and the shareholders at their respective meetings as required under the provisions of Regulation 23 and other applicable provisions, if any, of the SEBI Listing Regulations read with Section 177 and 188 and other applicable provisions, if any, of the Companies Act, 2013. Accordingly, the disclosure of the said related party transaction as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is made in Form AOC-2 annexed to this Report as Annexure - II.

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of related party transactions as per the specified format to the stock exchanges on a half-yearly basis.

Internal Financial Controls and its Adequacy

The Company has put in place adequate internal financial control procedures, commensurate with its size, complexity, and nature of business. The Company has identified and documented key financial controls impacting the financial statements as part of its standard operating procedures. These financial controls are tested for operating effectiveness through periodic monitoring and review by the management and are also independently evaluated by the Internal Auditor as part of internal audit reviews. Where control gaps or weaknesses are identified through such reviews, appropriate corrective measures are implemented to strengthen the control environment, and the revised controls are reviewed at regular intervals.

Further, BirlaNu continues to remain vigilant in responding to the evolving cybersecurity threat landscape. As part of its efforts to maintain a robust cybersecurity posture, the Company actively monitors emerging cybersecurity risks and incidents to enhance compliance and ensure sustained resilience. BirlaNu's continued focus on leveraging technology remains aligned with delivering business value and enabling a future-ready organisation. The Company continues to be certified under the Information Security Management System (ISMS) standard ISO 27001:2013. During the year, focused initiatives were undertaken in the areas of cybersecurity awareness, personnel training, and capability building to foster a strong security-conscious culture. In addition, BirlaNu undertakes periodic comprehensive cybersecurity assessments with the support of third-party subject matter experts to identify and address gaps, as applicable.

Based on such reviews, nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of the Company's internal financial controls, procedures, or systems occurred during the year.

Auditors

Statutory Auditors

M/s. B S R and Co, Chartered Accountants (FRN – 128510W) have been appointed as Statutory Auditors of the Company for a period of five years, i.e., from conclusion of 75th Annual General Meeting (AGM), held on July 29, 2022, till the conclusion of the 80th Annual General Meeting of the Company to be held in year 2027 under the provisions of Section 139 and 142 of the Companies Act, 2013 read with Rules made thereunder.

The Auditors' Report for the financial year 2025-26 does not contain any reservation, qualification or adverse remark, on the financial statements of the Company. Auditors' Report is self-explanatory and therefore, does not require further comments and explanation.

Further, in terms of Section 143 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, notifications / circulars issued by the Ministry of Corporate Affairs from time to time, no fraud has been reported by the Auditors of the Company where they have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company.

Internal Auditors

The Company has an effective fulltime in-house and professionally competent internal audit team, which regularly monitors the effectiveness of the internal control systems. This function reports to the Audit Committee and the Managing Director about the adequacy and effectiveness of the internal control systems of the Company as well as the periodical results of its review of the Company's operations as per an internal audit plan duly approved by the Audit Committee. The in-house internal audit team works in tandem with M/s. Ernst and Young, LLP, whose professional services have been availed by the Company to audit specific locations and processes as per the Internal Audit plan approved by the Audit Committee. Together, they provide a robust framework.

The recommendations of the internal audit teams on improvements in the operating procedures and control systems for strengthening the operating procedures are also presented periodically to the Audit Committee.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the rules framed thereunder, the cost audit records maintained by the Company in respect of its specified products are required to be audited by a Cost Auditor. The Board of Directors at its meeting held on May 12, 2026, on recommendation of the Audit Committee, re-appointed M/s. S.S. Zanwar & Associates, (Firm Registration No. 100283), as Cost Auditor of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027 at a remuneration of ₹ 9 lakh (Rupees Nine lakh only) plus applicable taxes and out of pocket expenses. The requisite resolution for ratification of remuneration of Cost Auditor by the shareholders of the Company has been set out in the Notice of ensuing AGM. The Cost Auditor has certified that their appointment is within the limits as prescribed under Section 141(3)(g) of the Act and that they are not disqualified from such appointment within the meaning of the said Act.

Secretarial Auditor

M/s. Ranjeet Pandey & Associates, Company Secretaries (CP No. 6087) has been appointed as Secretarial Auditor of the Company for a term of five consecutive years, i.e., from financial year 2025-26 till the financial year 2029-30 in accordance with the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder and Regulation 24A of SEBI Listing Regulations.

The Company has undertaken an audit for the financial year 2025-26 for all the applicable compliances under various regulations, circulars and notifications issued by the Securities and Exchange Board of India ("SEBI") and accordingly received Annual Secretarial Compliance Report from M/s. Ranjeet Pandey & Associates, Company Secretaries in terms of the SEBI Circular dated February 8, 2019 without any observations or comments and a copy of the same has been submitted to the Stock Exchanges within the prescribed time limit.

The Secretarial Audit Report issued by M/s. Ranjeet Pandey & Associates, Company Secretaries for the financial year ended March 31, 2026, is given in Annexure III attached hereto and forms part of this report. The report does not contain any qualifications, reservations or adverse remarks.

During the year under review, the Secretarial Auditor has not reported any matter under Section 143(12) of the Act, and therefore, no details are required to be disclosed under Section 134(3)(ca) of the Act.

Particulars of Loans, Guarantees or Investments

The details of loans, guarantees / security provided and inter-corporate investments made during the financial year ended March 31, 2026, forms part of the notes to the financial statements of the Company for the financial year 2025-26 at note no. 7, 9, 38 and 53.

During the financial year, the Company acquired 1,67,300 equity shares of Clean Coats Private Limited of ₹ 100/- each, thereby making it a wholly owned subsidiary of the Company with effect from November 11, 2025, at an aggregate consideration of ₹ 113.22 crore.

Deposits

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on March 31, 2026.

Subsidiaries and Joint Ventures

The Scheme of Amalgamation of Crestia Polytech Private Limited (a wholly owned subsidiary of BirlaNu Limited) and Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries of Crestia Polytech Private Limited and step-down subsidiaries of BirlaNu Limited) with BirlaNu Limited has been approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide order dated March 10, 2026. A certified true copy of the said order has been filed with the Registrar of Companies on March 31, 2026, being the Effective Date of the Scheme. The said subsidiary companies stand dissolved without winding up with effect from March 31, 2026.

The following are the details of subsidiaries and joint ventures of the Company as on March 31, 2026:

Sl. No.	Legal name of the entity	Relationship	Country of incorporation and Date	Full address
	Indian Subsidiaries			
1	Clean Coats Private Limited	Wholly Owned Subsidiary	India, 31.12.1999	K 30/1, Addl Ambernath Ind Area, M.I.D.C., Anand Nagar, Ambernath (East), Thane, Maharashtra, India, 421506
	Overseas Subsidiaries			
2	BirlaNu International GmbH	Wholly Owned Subsidiary (WOS)	Germany, 03.07.2018	Millenkamp 7-8, 48653 Coesfeld, Germany
3	Parador Holding GmbH	Step Down Subsidiary (WOS to HIL International GmbH)	Germany, 20.06.2016	Millenkamp 7-8, 48653 Coesfeld, Germany
4	Parador GmbH	Step Down Subsidiary (WOS to Parador Holding GmbH)	Germany, 21.09.2015	Millenkamp 7-8, 48653 Coesfeld, Germany
5	Parador Parkettwerke GmbH	Step Down Subsidiary (WOS to Parador GmbH)	Austria, 10.04.1998	Wiener Strasse 66, 7540 Güssing, Austria
6	Parador (Shanghai) Trading Co., Ltd.	Equity Joint Venture 50% of Parador GmbH and 50% Horgus Oriental Glamour Co., Ltd.	Republic of China, 08.08.2018	Room 1006, Floor 10, No 233 Taicang Road, Huangpu District, Shanghai Municipality, the People's Republic of China
7	Parador UK Limited	Step Down Subsidiary (WOS to Parador GmbH)	England and Wales, 13.07.2022	C/o Rodl & Partner Legal Ltd. 170 Edmund Street Ground Floor, Birmingham, United Kingdom B3 2HB
8	Parador Inc.	Step Down Subsidiary (WOS to Parador GmbH)	United States of America 23.01.2025	1209 Orange Street, City of Wilmington, Country of New Castle, Zip Code 19801

In compliance with the requirements of SEBI Listing Regulations, the Company has appointed Dr. Arvind Sahay, Independent Director of the Company as a Director on the Board of BirlaNu International GmbH, Germany (material wholly owned subsidiary).

Supercor Industries Limited

The Company holds 33% of the share capital in Supercor Industries Limited ("Supercor"), a company incorporated under the laws of Nigeria. The State Government of Bauchi, Nigeria and other shareholders hold the remaining 67% of the share capital in Supercor.

During the year there was no significant development at Supercor Industries Limited. Supercor had already suspended its operations since the year 2016 due to cash flow crisis. The Company informed the Board of Supercor Industries Limited about its intention to sell its stake and has not been participating in any of the discussions of the Board / Management for last five years. The Interim Board set up by the Nigerian Government is not responsive and the Company is waiting to hear from the Board of Supercor for deciding further course of action. Accordingly, the Company has submitted an application to Reserve Bank of India (RBI) for suspension of UAN allotted towards the above said investment in Supercor and the same has been suspended by RBI.

In view of the above, the Company is not in a position to obtain any information/financials from the Joint Venture entity and hence the consolidated financial statements do not include the financial performance of Supercor Industries Ltd.

As per the provisions of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/Associate Companies/Joint Ventures in Form AOC-1 is attached as Annexure IV to this report.

Scheme of Amalgamation

During the year, the Board of Directors, at its meeting held on February 13, 2026, approved a proposal for the amalgamation of the Company's wholly owned subsidiary, Clean Coats Private Limited with the Company. The amalgamation will be executed through a Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. This strategic initiative aligns with the Company's long-term vision of optimizing operational efficiencies, strengthening market presence, and leveraging synergies within the Construction Chemicals segment where the involved transferor entity is currently engaged. The above Scheme is subject to necessary approvals from the shareholders, creditors and regulatory authorities, including the jurisdictional National Company Law Tribunal, Regional Director, Ministry of Corporate Affairs and the Registrar of Companies, as may be applicable.

Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013. As per the provisions of Section 136 of the Companies Act, 2013, the Company has also placed audited accounts of its Subsidiaries on its website.

Particulars of Employees, Directors and Key Managerial Personnel

The disclosures relating to remuneration and other details as required in terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure V, which forms an integral part of this Report. Further, in terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information will be made available for inspection through electronic mode by writing to the Company at cs@birlanu.com from the date of circulation of the AGM Notice till the date of the AGM.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in Annexure VI attached hereto and forms part of this Report.

Business Responsibility and Sustainability Report

BirlaNu strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting aspirational targets and improving economic performance to ensure business continuity and sustainable growth.

Pursuant to Regulation 34(2)(f) of the Securities Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") of the Company for the financial year ended March 31, 2026 is available on the website of the Company at https://cms.birlanu.com/public/media/2026/06/23/brsr-fy2025-26.pdf.

Employee Stock Options

During the financial year 2025-26, 1,10,131 stock options were granted under the BirlaNu Limited Employee Stock Option Scheme 2019. However, no stock options were granted under BirlaNu Limited Employee Stock Option Scheme 2023 ("Schemes"). The relevant disclosure under Section 62 of the Companies Act, 2013 read with Rules made thereunder and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI (SBEB&SE) Regulations, 2021) as of March 31, 2026, is available on the website of the Company and can be accessed through the web link https://cms.birlanu.com/public/media/2026/04/22/esop-disclosure-2026.pdf.

A certificate from M/s. Ranjeet Pandey & Associates, Company Secretaries, Secretarial Auditor of the Company confirming that the Schemes have been implemented in accordance with the SEBI (SBEB&SE) Regulations, 2021 would be placed at the ensuing Annual General Meeting of the Company for inspection by the shareholders.

Significant and Material Orders Passed by the Regulators/Court

During the year under review, no significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company.

Material Changes and Commitments

There were no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year March 31, 2026 to which the financial statements relate and the date of signing of this report.

During the year, there is no application made or any proceeding pending on the Company, under the Insolvency and Bankruptcy Code, 2016.

Change in The Nature of Business

There has been no change in the nature of business of the Company.

Other Statutory Disclosures

The Company has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, including all applicable obligations relating to maternity benefits for eligible employees.

The Board of Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions related to the below items during the year under review:

a. Issue of equity shares with differential rights as to dividend, voting or otherwise.

b. Issue of sweat equity shares.

c. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

Acknowledgements

The Board of Directors take this opportunity to thank all the stakeholders of the Company for their continued support and express their sense of gratitude to the customers, vendors, banks, financial institutions, channel partners, business associates, Central and State Governments for their co-operation and look forward to their continued support in future. The Board of Directors wish to place on record their sincere appreciation for the contribution made by the employees at all levels and applaud them for their dedication and commitment towards the Company.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026

ANNEXURE I

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year ended March 31, 2026

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

1. Brief outline on CSR Policy of the Company

BirlaNu is committed to creating a need-based, sustainable, and community-centric approach to its Corporate Social Responsibility (CSR) initiatives. The Company focuses on improving community well-being through initiatives in skill development and healthcare, among other social interventions. The Company also encourages employees to actively participate in volunteer-driven initiatives, leveraging its organizational strengths, global presence, and engaged workforce to enhance the reach, effectiveness, and sustainability of its CSR programmes.

The Board of Directors have adopted a policy on CSR in line with Section 135 of the Companies Act, 2013.

2. Composition of CSR Committee

Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Amita Birla	Chairman, Non-executive Director	1	-
2	Mr. Desh Deepak Khetrapal	Member, Non-executive Director	1	1
3	Mr. Sunil Ramakant Bhumralkar	Member, Independent Director	1	1
4	Prof. Janat Ghanshyam Shah	Member, Independent Director	1	1
5	Mr. Akshat Seth	Member, Managing Director & CEO	1	1

3. Web-link(s) where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

CSR Policy: https://cms.birlanu.com/public/media/2025/03/13/csr-policy.pdf.

Composition of the Committee: https://www.birlanu.com/investor/committee-compositions.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR projects or programs undertaken by the Company are available on link given below: https://cms.birlanu.com/public/media/2025/11/26/csr-annual-action-plan-2025-26.pdf.

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, if applicable: Not Applicable

5. (a) Average net profit of the Company as per Section 135(5): **₹ 9,957.30 lakh**

(b) Two percent of average net profit of the Company as per Section 135(5): **₹ 199.15 lakh**

(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: **Nil**

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 199.15 lakh**

6. (a) Amount spent on CSR Projects (other than Ongoing Project): **₹ 210.92 lakh**

(b) Amount spent in administrative overheads: **Nil**

(c) Amount spent on impact assessment, if applicable: **Nil**

(d) Total amount spent for the financial year [(a)+(b)+(c)] : **₹ 210.92 lakh**

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹ lakh)	Amount Unspent (in ₹ lakh)				
	Total amount transferred to unspent CSR account as per sub-section (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 (in ₹ lakh)	Date of transfer	Name of the fund	Amount (in ₹ lakh)	Date of transfer
210.92	Nil	Not Applicable	Not Applicable		

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹ lakh)
(i)	Two percent of average net profit of the Company as per Section 135(5)	199.15
(ii)	Total amount spent for the financial year	210.92
(iii)	Excess amount spent for the financial year ((ii)-(i))	11.77
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	11.77

7. Details of unspent CSR amount for the preceding three financial years

Sl. No.	Preceding financial year	Amount transferred to unspent CSR account under Section 135(6) (in ₹ lakh)	Balance amount in unspent CSR account under sub-section (6) of Section 135 (in ₹ lakh)	Amount spent in the financial year (in ₹ lakh)	Amount transferred to any fund 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 ₹ lakh)	Deficiency, if any
					Amount (in ₹ lakh)	Date of transfer		
1	FY-1							
2	FY-2	NIL						
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of capital assets created/ acquired: Not Applicable

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		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5): Not applicable

Amita Birla
Chairman of CSR Committee
DIN: 00837718
Place: London

CK Birla
Chairman of Board
DIN: 00118473
Place: New Delhi

Date: May 12, 2026

ANNEXURE II

Form No. AOC-2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. There are no contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangement or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Ms. Avanti Birla, President – Strategy, a relative of Mr. Chandrakant Birla, Chairman and Non-executive Director and Ms. Amita Birla, Non-executive Director of the Company.	Payment of remuneration	Ongoing	Remuneration of ₹ 218.59 lakh (Rupees two crore and eighteen lakh and fifty-nine thousand) paid/ accrued for the financial year 2025-26 consisting of basic salary, house rent allowance, special allowance, variable pay, other allowances, retiral benefits, other benefits and facilities, as per the rules and policies of the Company.	May 15, 2023 and May 17, 2025	Not applicable

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026

ANNEXURE III

SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2026

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

To,
The Members,
BirlaNu Limited
(Formerly HIL Limited)
Office No. 1 & 2, L7 Floor,
SLN Terminus, Survey no. 133,
Near Botanical Gardens, Gachibowli,
Hyderabad, Telangana-500032

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"BirlaNu Limited"** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **BirlaNu Limited'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 on 31st March, 2026 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 on 31st March, 2026, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

iv) The Foreign Exchange Management Act, 1999 to the extent of Overseas Direct Investment;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

vi) As confirmed by the management, there is no law which is specifically applicable to the Company, being a Company engaged in offering comprehensive building material solutions.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by the Institute of Company Secretaries of India;

ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all directors/members of the committee, as the case may be, to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, 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.

In terms of the minutes of the board and committee meetings, all the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period the Company has:

i) declared and paid dividend and necessary compliances of the Act were made;

ii) acquired 100% equity share capital of Clean Coats Private Limited and necessary compliances of the Act were made;

iii) obtained approval of Board of Directors for Scheme of Amalgamation of wholly owned subsidiary, namely, Clean Coats Private Limited with the Company subject to the approval of members, creditors and Hon'ble National Company Law Tribunal ("NCLT") and necessary compliances of the Act were made;

iv) obtained approval of Hon'ble NCLT, Kolkata Bench, for Scheme of amalgamation of wholly owned subsidiary, namely, Crestia Polytech Private Limited and step-down subsidiaries of the Company, namely, Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited, Topline Industries Private Limited with the Company vide its order dated 10th March, 2026 and necessary compliances of the Act were made;

v) obtained approval of board of directors and members of the Company for amendments to the 'HIL Limited Employee Stock Option Scheme 2019' and necessary compliances of the Act were made.

FOR **RANJEET PANDEY & ASSOCIATES**
COMPANY SECRETARIES

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922H000332974

Place: New Delhi
Date: 12.05.2026

This report is to be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

Annexure-I

To,
The Members,
BirlaNu Limited
(Formerly HIL Limited)
Office No. 1 &2, L7 Floor,
SLN Terminus, Survey no 133,
Near Botanical Gardens, Gachibowli,
Hyderabad, Telangana-500032

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

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR **RANJEET PANDEY & ASSOCIATES**
COMPANY SECRETARIES

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922H000332974

Place: New Delhi
Date: 12.05.2026

ANNEXURE IV

Form AOC-1

(Pursuant to first proviso to Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

₹ in lakh unless otherwise mentioned

Name of the subsidiary		BirlaNu International GmbH, Germany	Parador Holdings GmbH, Germany	Parador GmbH, Germany	Parador Parkettwerke GmbH, Germany	Parador UK Ltd., England	Parador Inc., USA
Sl. No.	Particulars	Wholly Owned Subsidiary	Step Down Subsidiary	Step Down Subsidiary	Step Down Subsidiary	Step Down Subsidiary	Step Down Subsidiary
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026	01.04.2025 – 31.03.2026
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting currency: Euro Exchange rate: a. Average rate INR 102.47626 / Euro is considered for P&L items b. Closing rate INR 108.95334 / Euro is considered for balance sheet items				Reporting currency: GBP Exchange rate: a. Average rate INR 118.44967 / GBP is considered for P&L items b. Closing rate INR 125.59706 / GBP is considered for balance sheet items	Reporting currency: USD Exchange rate: a. Average rate INR 88.32111 /USD is considered for P&L items b. Closing rate INR 94.8475 / USD is considered for balance sheet items
3	Share capital	€ 3,40,25,000.00	€ 1,00,000.00	€ 25,000.00	€ 3,27,027.75	£10,000.00	$100.00
4	Reserves & surplus	(27,63,200.22)	1,01,36,471.09	1,578.85	1,21,97,488.88	(12,07,494.55)	-
5	Total assets	10,80,70,213.23	5,08,24,861.70	7,12,17,410.66	2,05,42,727.24	3,27,427.06	53,963.88
6	Total liabilities	7,78,75,147.68	4,07,67,296.09	7,85,72,757.36	1,09,75,529.63	20,77,998.09	21,31,075.70
7	Investments	5,40,26,888.96	26,066.25	86,20,163.04	-	-	-
8	Turnover	-	-	13,35,95,311.48	2,65,33,222.08	13,21,551.04	-
9	Profit/(Loss) before taxation	(10,66,734.23)	(1,78,905.48)	(73,81,925.55)	(22,75,284.21)	(5,53,076.48)	(20,77,211.82)
10	Provision for taxation	-	-	-	(6,82,034.81)	-	-
11	Profit/(Loss) after taxation	(10,66,734.23)	(1,78,905.48)	(73,81,925.55)	(29,57,319.02)	(5,53,076.48)	(20,77,211.82)
12	Profit/(Loss) transferred	-	-	-	-	-	-
13	% of shareholding	100% held by BirlaNu Limited	100% held by BirlaNu International GmbH, Germany	100% held by Parador Holdings GmbH, Germany	100% held by Parador GmbH, Germany	100% held by Parador GmbH, Germany	100% held by Parador GmbH, Germany

Name of the subsidiary		Clean Coats Private Limited
Sl. No.	Particulars	Wholly Owned Subsidiary
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	11-11-2025 – 31-03-2026
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	₹ in lakh
3	Share capital	167.30
4	Reserves & surplus	1,400.28
5	Total assets	2,373.41
6	Total liabilities	805.82
7	Investments	-
8	Turnover	2,000.64
9	Profit before taxation	56.47
10	Provision for taxation	57.43
11	Profit after taxation	(0.96)
12	Proposed dividend	-
13	% of shareholding	100% held by BirlaNu Limited

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: Crestia Polytech Private Limited (a wholly owned subsidiary of BirlaNu Limited) and Aditya Poly Industries Private Limited, Aditya Polytechnic Private Limited, Prabhu Sainath Polymers Private Limited and Topline Industries Private Limited (wholly owned subsidiaries of Crestia Polytech Private Limited and step-down subsidiaries of BirlaNu Limited) have amalgamated with BirlaNu Limited effective on March 31, 2026.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Joint Ventures	Supercor Industries Limited, Nigeria	Parador (Shanghai) Trading Co., Ltd., China
1	• Last audited balance sheet date • Latest Balance Sheet	31st December, 2015 Refer note no. 53 to consolidated notes to Accounts.	31st December, 2025 Refer note no. 53 to consolidated notes to Accounts.
2	Shares of Joint Ventures held by the Company on the year end • Number • Amount of investment in JV • Extent of holding	41,25,000 equity shares of Naira 1/- each ₹ 142.60 lakh 33%	One share of Euro 100,000 ₹ 323.74 lakh 50%
3	Description of how there is significant influence	There is no significant influence	There is no significant influence
4	Reason why the associate/joint venture is not consolidated	Refer note no. 53 to consolidated notes to Accounts	Not Applicable
5	Net worth attributable to shareholding as per latest Balance Sheet		₹ (141.75) lakh
6	Profit/(Loss) for the year • Considered in Consolidation • Not Considered in Consolidation		₹ (5.88) lakh

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Akshat Seth
Managing Director & CEO
DIN: 10039820

Ajay Kapadia
Chief Financial Officer
Membership No. 108447

Nidhi Bisaria
Company Secretary
Membership No. F5634

Date: May 12, 2026
Place: New Delhi

ANNEXURE V

Disclosure of Remuneration

(Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26

Sl. No.	Name of the Director/ Key Managerial Personnel (KMP) and Designation	Ratio of remuneration of each Director/ KMP to median remuneration of employees	% Increase/ (Decrease) in remuneration in the financial year 2025-26
1.	Mr. CK Birla – Chairman	0.29	(51%)
2.	Mr. Akshat Seth - Managing Director & CEO	115.79	9%
3.	Mr. Desh Deepak Khetrapal – Non-executive Director	0.29	(51%)
4.	Ms. Amita Birla - Non-executive Director	0.29	(51%)
5.	Mr. Sunil Ramakant Bhumralkar – Independent Director	0.29	(51%)
6.	Dr. Arvind Sahay - Independent Director	0.29	(51%)
7.	Ms. Nidhi Jagat Killawala – Independent Director	0.29	(51%)
8.	Prof. Janat Ghanshyam Shah – Independent Director	0.29	(46%)
9.	Mr. Ajay Kapadia – Chief Financial Officer	22.28	11%
10.	Ms. Nidhi Bisaria - Company Secretary	8.32	9%

Note: Sitting fees is paid based on the number of meetings attended by the Non-executive/Independent Director, hence the % increase is not comparable and not considered for the purpose of above calculations.

(ii) During the financial year 2025-26, there was a decrease of 3% in the median remuneration of employees. This decrease is primarily attributable to the inclusion of employees of Crestia Polytech Private Limited and its subsidiaries pursuant to their merger with the Company, which also led to an increase in the overall employee base.

(iii) As on March 31, 2026, there were 2,053 permanent employees on the rolls of the Company.

(iv) The average percentile increase in the salaries of employees other than managerial personnel during the financial year 2025-26 was 8%. The increase in the remuneration of managerial personnel for the same period was 9%.

(v) It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN 00118473

Place: New Delhi
Date: May 12, 2026

ANNEXURE VI

Statement of particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo

[as per Rule 8 of Companies (Accounts) Rules, 2014]

A. Conservation of energy

I. Steps taken or impact on conservation of energy

In a strategic move towards enhancing energy efficiency and sustainability, several critical initiatives have been implemented across operations. A key initiative for the year is replacing part of conventional power with renewable power across several of our plants. We already have over 3.5MW of renewable energy and have identified further potential of about 12.68MWp of renewable energy across our plants. This would translate into over ~20% of our annual power consumption coming from renewable sources. We are currently pursuing projects for about ~8MWp of solar power with investments of over ₹ 8.6 crore across several of our plants; with additional projects to be taken up subsequently.

Additionally, we worked with an external consultant to identify measures to reduce energy consumption. Some of the key initiatives include transition from IE3 to IE4-rated motors delivering higher efficiency and measurable reductions in energy consumption without compromising operational performance. This has been complemented by a structured motor management program, optimizing motor sizing and utilization across applications. At the shop floor across our plants we are continuously working on increasing day light to reduce power consumption.

Further, deployment of Variable Frequency Drives (VFDs) has enabled demand-based motor operation, ensuring energy is consumed in line with process requirements, thereby eliminating unnecessary load and improving overall system efficiency.

In utilities, significant improvements have been achieved through optimization of water-cooled chillers, enhancing cooling efficiency and reducing specific energy consumption. Similarly, compressed air systems have been rationalized through leakage reduction, pressure optimization, and efficient compressor operation, leading to substantial energy savings.

Boiler and thermal systems have also been optimized to improve fuel efficiency and reduce energy losses. We have also recently invested in burners some of our facilities to replace LPG as a fuel with biomass. In addition, process-level optimizations have been implemented to streamline operations and minimize energy intensity.

A notable advancement includes the adoption of energy-efficient infrared (IR) heaters, which provide faster and more targeted heating, resulting in reduced energy consumption and improved process effectiveness.

We are also continuously working on lean manufacturing concept across businesses resulting in saving in power and fuel consumption.

II. Steps taken by the Company for utilization of alternate energy sources

The Company has undertaken focused initiatives to transition towards alternative and renewable energy sources, reducing dependence on conventional fossil fuels and strengthening its sustainability agenda.

A key measure includes the integration of agro-based fuels such as biomass briquettes, cashew husks, and rice husks in boiler operations. These renewable fuels serve as environmentally responsible substitutes for traditional fossil fuels, enabling a reduction in carbon emissions while supporting circular utilization of agricultural waste.

The Company has accelerated the transition towards cleaner mobility by increasing the share of electric forklifts to approximately 30% of the total fleet, replacing conventional diesel-powered equipment.

This shift has delivered multiple benefits, including lower operating and maintenance costs, reduced noise levels, and improved operational efficiency. More importantly, it has significantly reduced greenhouse gas emissions, reinforcing the Company's commitment to sustainable operations and its broader decarbonization roadmap.

An important measure undertaken during the year was to substantially increase the share of renewable energy. As part of that initiative we are already working on implementing an additional ~8MWp of solar capacity. Thereby, by the end of FY27 we would have successfully installed capacity to replace nearly 16% of our power consumption by renewable sources which is expected to further increase to 20% by FY28.

These initiatives reflect the Company's commitment to environmental stewardship and sustainable industrial practices.

III. Capital investment on energy conservation equipment

A capital expenditure of ₹ 39 lakh has been invested in FY26 towards energy efficiency and operational optimization initiatives. This investment reflects a long-term strategic focus on reducing energy intensity, lowering operating costs, and advancing sustainable industrial practices.

The deployed capital targets key areas that directly contribute to reducing the plant's electrical load, enhancing equipment reliability, and improving process control. Beyond immediate efficiency gains, the investment is expected to deliver strong lifecycle returns through reduced utility costs, lower maintenance spend, and extended asset life.

Importantly, the adoption of high-efficiency technologies aligns with evolving environmental and regulatory expectations, further strengthening the Company's position as a responsible and forward-looking organization committed to sustainable resource management.

We are committed to continuously investing in energy conservation measures. As we realise success in the PoCs that we are undertaking this year; we will horizontally deploy these energy conservation equipment and processes across our facilities.

B. Technology absorption

I. Efforts made towards technology absorption

The Company is continuously striving to upgrade its technology in all aspects through in-house R&D, primarily aimed at new product development, value enhancement through various cost optimization initiatives and improving product quality. Specific areas in which innovation was carried out during FY26 were:

a. Filed two new patents applications in India for the following:
   i. Laminated cementitious board for building materials and method for manufacturing the same
   ii. Unpalatalized polyvinyl chloride composition and a method of preparation thereof.
b. One Indian patent was granted during the year:
   i. Sandwich panel system and manufacturing process thereof.
c. The Company developed and commercialized following new products through its in-house R&D facility – Roofs Category: Ultra-premium asbestos roofing sheets delivering superior surface finish and hydrophobicity. Wall Category: 6X -high strength AAC blocks, false ceiling tile with multiple designs (10+ new designs) commercialized, light weighting of non-asbestos & asbestos panels with enhanced strength. Pipes & Fittings category: PPR, expansion of electrofusion HDPE fittings, organic based stabilizer, CaZn stabilizer and OPVC pipes. Construction Chemicals & Putty category: commercialized epoxy tile grout sparkle, Insta plug cement to stop leakage instantly, multi fix bonder – multipurpose powder additive for all cementitious matrix, panel jointing compound, Tile Adhesive TA1+ and coarser putty, Liquid WP compounds, Cement bonding agent and other construction and coating related products.
d. Enhancing product quality by optimising manufacturing processes and developing innovative raw material formulations. R&D has also initiated development of indigenous additives for roofing sheets & walling products and it's manufacturing through Company's wholly owned subsidiary, Clean Coats Pvt Ltd.

II. The benefits derived like product improvement, cost reduction, product development or import substitution

A standout achievement is the creation of the ultra-premium roof, a revolutionary product designed to enhance surface finish with water repellant properties arresting dampness and leakage beneath the roof.

Moreover, the Company continued its efforts towards increasing the utilization of processed and other industrial waste developing more greener products. Besides delivering on sustainability, this has also helped reduce production costs.

The production costs have been reduced through strategic measures such as adopting cost-effective raw materials, optimizing power consumption, and enhancing technical efficiencies. With rising raw material prices, the Company has developed new blends of raw materials and their substitutes.

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) the details of technology imported: OPVC pipe manufacturing machines & technology

(b) the year of import: 2025

(c) whether the technology been fully absorbed: under commissioning

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

IV. Expenditure incurred on Research and Development: ₹ 741.97 lakh

C. Foreign exchange earnings and outgo

Details of foreign exchange earned in terms of actual inflows and the foreign exchange outgo in terms of actual outflows during the financial year are as under:

Sl. No.	Particulars	2025-26 (₹ in lakh)	2024-25 (₹ in lakh)
A	Foreign Exchange Earned		
	Export of Goods (C&F)	-	4.70
	Others#	1,590.86	2,771.52
	Total	**1,590.86**	**2,776.22**
B	Foreign Exchange Used		
	Raw Materials, Components, Spares and Capital Goods (CIF)	41,215.23	40,697.96
	Others*	50.99	2,824.97
	Total	**41,266.22**	**43,522.93**

#Pertains to interest on loan and corporate guarantee fee received from subsidiary.

*Includes loan given to subsidiary FY2025-26- Nil and FY2024-25- ₹ 2,788.43 lakh.

For and on behalf of the Board of Directors
BirlaNu Limited

CK Birla
Chairman
DIN: 00118473

Place: New Delhi
Date: May 12, 2026