S.R. BATLIBOI & CO. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Nayara Energy Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Nayara Energy Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the '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 consolidated financial statements.

Other Information

The Holding 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 consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material

misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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, based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding and its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, consolidated financial statements – Refer Note 36 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 22 to the consolidated financial statements in respect of such items as it relates to the Group;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiaries;

iv. a) The respective managements of the Holding Company and its subsidiary company, which are companies incorporated in India whose financial statements have been audited under the Act

have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or other auditors to be believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiary company, incorporated in India.

vi) Based on our examination which included test checks, the Company and its subsidiary company, which are companies incorporated in India whose financial statements have been audited under the Act, and as described in note 47, the Holding Company and subsidiary company have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and subsidiary company as per the statutory requirements for record retention.

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

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per Naman Agarwal
Partner
Membership Number: 502405
UDIN: 26502405YNMHTZ9935
Place of Signature: Mumbai
Date: May 26, 2026

S.R. BATLIBOI & CO. LLP
Chartered Accountants

ANNEXURE 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Nayara Energy Limited ("the Company")

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

(b) Qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr. No.	Name	CIN	Holding company / subsidiary / associate / joint venture	Clause number of the CARO report which is qualified or is adverse
1	Coviva Energy Terminals Limited	U74140GJ2015PLC082393	Subsidiary	(ix)(d); (xvii)

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

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per Naman Agarwal
Partner
Membership Number: 502405
UDIN: 26502405YNMHTZ9935
Place of Signature: Mumbai
Date: May 26, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Nayara Energy Limited

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

In conjunction with our audit of the consolidated financial statements of Nayara Energy Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated 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, 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Consolidated Financial Statements

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

Opinion

In our opinion, the Group , has maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding 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

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per Naman Agarwal
Partner
Membership Number: 502405
UDIN: 26502405YNMHTZ9935
Place of Signature: Mumbai
Date: May 26, 2026

NAYARA ENERGY LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

(₹ in million)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	5	433,760	448,515
(b) Capital work-in-progress	5	48,896	17,893
(c) Goodwill	6	108,184	108,184
(d) Other intangible assets	6	443	348
(e) Intangible assets under development	6	-	143
(f) Right-of-use assets	5	15,929	13,629
(g) Financial assets			
(i) Investments	7	-	-
(ii) Loans	8	546	483
(iii) Other Financial assets	9	928	835
(h) Non-current tax assets (net)		5,598	2,140
(i) Other non-current assets	10	6,928	10,678
Total non-current assets		621,212	602,842
2) Current assets			
(a) Inventories	11	153,317	104,567
(b) Financial assets			
(i) Investments	12	-	9,578
(ii) Trade receivables	13	188,272	42,129
(iii) Cash and cash equivalents	14	9,668	21,719
(iv) Bank balances other than (iii) above	15	56,184	42,969
(v) Loans	16	242	359
(vi) Other financial assets	17	43,181	27,188
(c) Other current assets	18	3,311	3,125
Total current assets		454,375	251,634
TOTAL ASSETS		1,075,587	854,476
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	15,050	15,072
(b) Other equity	20	576,244	485,030
Total equity		591,294	500,102
LIABILITIES			
1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	80,717
(a) Lease liabilities	36	17,396	16,784
(ii) Other financial liabilities	22	1,033	850
(b) Deferred tax liabilities (net)	23	77,543	77,202
Total non-current liabilities		95,972	174,553
2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	103,892	40,304
(a) Lease liabilities	36	1,737	1,376
(ii) Trade payables	25	231,539	71,117
(iii) Other financial liabilities	26	23,066	39,558
(b) Other current liabilities	27	24,787	19,801
(c) Provisions	28	2,459	1,254
(d) Current tax liabilities (net)		844	1,411
Total current liabilities		388,321	179,921
TOTAL EQUITY AND LIABILITIES		1,075,587	854,476

See accompanying notes to the consolidated financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

Naman Agarwal
Digitally signed by Naman Agarwal
Date: 2026.05.26 22:04:31 +05'30'

per Naman Agarwal
Partner
Membership No. 502405
Mumbai, May 26, 2026

For and on behalf of the Board of Directors of Nayara Energy Limited

PRASAD KRISHNA PANICKER
Digitally signed by PRASAD KRISHNA PANICKER
Date: 2026.05.26 18:24:28 +05'30'

Prasad K. Panicker
Executive Chairman
DIN : 06476857
Mumbai

DEEPESH BAXI
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Deepesh Baxi
Chief Financial Officer
Mumbai

TEYMUR ABASGULIYEV

Teymur Abasguliyev
Chief Executive Officer
Mumbai

MAYANK BHARGAVA

Mayank Bhargava
Company Secretary
Membership No. A13927
Mumbai
May 26, 2026

NAYARA ENERGY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(₹ in million)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	29	1,466,018	1,492,174
Other income	30	11,721	11,070
Total Income		1,477,739	1,503,244
Expenses			
Cost of raw materials consumed		853,526	980,367
Excise duty		231,631	205,973
Purchases of stock-in-trade		175,434	128,174
Changes in inventory of finished goods, work-in-progress and stock-in-trade	31	(26,809)	(5,986)
Employee benefits expense	32	12,705	10,246
Finance costs	33	16,408	17,060
Depreciation and amortisation expense	6	21,371	21,304
Other expenses	34	71,549	61,504
Total expenses		1,355,815	1,418,662
Profit before tax		121,924	84,582
Tax expense:	23		
(a) Current tax		31,489	20,871
(b) Deferred tax		163	2,916
Total tax expenses		31,652	23,787
Profit for the year		90,272	60,795
Other comprehensive income			
Items that will not be reclassified to profit and loss		73	(70)
Remeasurement income / (loss) on defined benefit plans		98	(94)
Income tax effect		(25)	24
		73	(70)
Items that will be reclassified to profit and loss		2,460	4,467
Effective portion of cash flow hedges (net)		3,207	5,948
Income tax effect		(807)	(1,497)
		2,400	4,451
Foreign currency monetary item translation difference account		-	11
Income tax effect		-	(3)
		-	8
Exchange differences on translating the financial statements of a foreign operation		60	8
		60	8
Other comprehensive income for the year, net of tax		2,533	4,397
Total comprehensive income for the year (comprising profit for the year and other comprehensive income for the year)		92,805	65,192

NAYARA ENERGY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(₹ in million)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Earnings per share (Face value ₹ 10 per share)			
Basic and Diluted (in ₹)	35	60.64	40.79

See accompanying notes to the consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors of Nayara Energy Limited

PRASAD KRISHNA PANICKER — Digitally signed by PRASAD KRISHNA PANICKER, Date: 2026.05.28 15:24:46 +05'30'

TEYMUR ABASGULIYEV

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

Naman Agarwal — Digitally signed by Naman Agarwal, DN: cn=Naman Agarwal, c=IN, o=Personal, Date: 2026.05.28 22:04:13 +05'30'

per Naman Agarwal
Partner
Membership No. 502405
Mumbai, May 26, 2026

Prasad K. Panicker
Executive Chairman
DIN : 06475857
Mumbai

Teymur Abasguliyev
Chief Executive Officer

Mumbai

DEEPESH BAXI — Digitally signed by DEEPESH BAXI, Date: 2026.05.28 15:38:38 +05'30'

MAYANK BHARGAVA

Deepesh Baxi
Chief Financial Officer

Mumbai

Mayank Bhargava
Company Secretary
Membership No. A13927
Mumbai
May 26, 2026

NAYARA ENERGY LIMITED
Consolidated Statement of Changes in Equity for the year ended March 31, 2026

a. Equity Share Capital (₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	15,072	15,072
Changes in equity share capital during the year	(22)	-
Closing balance	15,050	15,072

(refer note 19)

b. Other Equity

Consolidated Statement of Changes in equity for the year April 01, 2025 to March 31, 2026 (₹ in million)

Particulars	Reserves and Surplus						Items of Other Comprehensive Income (OCI)			Total
	Capital reserve	Securities premium	Debenture redemption reserve	General reserve	Capital Redemption reserve	Retained Earnings	Foreign currency translation reserve	Effective portion of Cash Flow Hedges*	Foreign currency monetary item translation difference account	
Balance as at April 01, 2025	609	75,014	257	586	-	409,036	(94)	(3,388)	-	485,030
Profit for the year	-	-	-	-	-	90,272	-	-	-	90,272
Buyback of equity shares	-	(1,565)	-	-	-	-	-	-	-	(1,565)
On redemption of non convertible debentures	-	-	(257)	257	-	-	-	-	-	-
Amount transferred to capital redemption reserve upon buyback	-	-	-	(22)	22	-	-	-	-	-
Transaction cost relating to buyback (net of	-	(29)	-	-	-	-	-	-	-	(29)
Other Comprehensive Income for the year	-	-	-	-	-	73	60	2,400	-	2,533
Balance as at March 31, 2026	609	75,423	-	831	22	499,381	(34)	(988)	-	576,244

Consolidated Statement of Changes in Equity for the year April 01, 2024 to March 31, 2025 (₹ in million)

Particulars	Reserves and Surplus						Items of Other Comprehensive Income (OCI)			Total
	Capital reserve	Securities premium	Debenture redemption reserve	General reserve	Capital Redemption reserve	Retained earnings	Foreign currency translation reserve	Effective portion of Cash Flow Hedges*	Foreign currency monetary item translation difference account	
Balance as at April 01, 2024	609	75,014	-	586	-	348,568	(102)	(7,839)	(8)	419,838
Profit for the year	-	-	-	-		60,795	-	-	-	60,795
Debenture redemption reserve	-	-	257	-		(257)	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-		(70)	8	4,451	8	4,397
Balance as at March 31, 2025	609	75,014	257	586	-	409,036	(94)	(3,388)	-	485,030

(i) * net loss for the year of ₹ 5,372 million (Previous year ₹ 7,883 million) (net of tax) is recycled from cash flow hedge reserve to statement of profit and loss account.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E/E300005

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per Naman Agarwal
Partner
Membership No.: 502405
Mumbai, May 28, 2026

For and on behalf of the Board of Directors of Nayara Energy Limited

PRASAD KRISHNA PANICKER
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Date: 2026.05.28 19:26:07 +05'30'

Prasad K. Panicker
Executive Chairman
DIN: 06476857
Mumbai

TEYMUR ABASGULIYEV

Teymur Abasguliyev
Chief Executive Officer

Mumbai

DEEPESH BAXI
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Deepesh Baxi
Chief Financial Officer

Mumbai

MAYANK BHARGAVA

Mayank Bhargava
Company Secretary
Membership No: A13927
Mumbai
May 28, 2026

NAYARA ENERGY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

(₹ in million)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	**Cash flow from operating activities**		
	Profit before tax	**121,924**	**84,582**
	Adjustments for:		
	Interest income	(7,334)	(6,604)
	Depreciation and amortisation expense	21,870	21,303
	Loss on disposal / discard of property, plant and equipment (net)	38	751
	Gain on investment / financial assets measured at FVTPL	(444)	(726)
	Gain on remeasurement of leases	(160)	(144)
	Export obligation deferred loss / (income)	21	(137)
	Unrealised foreign exchange differences (net)	1,385	183
	Derivative loss and hedge reserve adjustments (net)	244	915
	Expected credit (reversal of loss) / loss (net)	(135)	(1,338)
	Allowance for doubtful debts / doubtful debt written off	23	12
	Provision / liabilities written back	(36)	(12)
	Finance costs	16,407	17,060
	Operating profit before working capital changes	**153,303**	**115,845**
	Adjustments for working capital changes:		
	(Increase) in inventories	(48,751)	(634)
	(Increase) / decrease in trade and other receivables	(139,502)	31,513
	Increase / (decrease) in trade and other payables	140,298	(94,095)
	Cash generated from operating activities	**105,348**	**52,629**
	Income tax payment (net of refund) (including interest)	(36,143)	(22,151)
	Net cash generated from operating activities	**69,205**	**30,478**
B	**Cash flow from investing activities**		
	Payments for property, plant and equipment (including capital work in progress, intangible assets and intangible assets under development)	(28,824)	(22,841)
	Proceed from sale of property, plant and equipment	-	43
	Proceeds from sale / (payments for purchase) of short term investments / mutual fund	10,923	(5,100)
	Placement of bank deposits	(38,545)	(21,272)
	Encashment of bank deposits	54,721	34,579
	Placement of short term bank deposits (net)	(45,419)	(5,781)
	Interest received	7,448	5,811
	Net cash (used in) investing activities	**(40,596)**	**(14,561)**
C	**Cash flow from financing activities**		
	Proceeds from borrowings	2,500	26,738
	Repayment of borrowings	(25,223)	(19,140)
	Buy-back of equity shares	(1,613)	-
	Payment of principal portion of lease liabilities	(2,360)	(1,417)
	Payment of interest on lease liabilities	(1,677)	(1,582)
	Finance cost paid	(11,928)	(16,185)
	Net cash (used in) financing activities	**(40,301)**	**(11,586)**
	Net (decrease) in cash and cash equivalents	(11,692)	4,331
	Cash and cash equivalents at the beginning of the year	21,560	17,229
	Cash and cash equivalents at the end of the year	**9,868**	21,560

Composition of Cash and cash equivalents included in the consolidated statement of cash flows comprise of the following consolidated balance sheet amounts:		
Cash and cash equivalents as per the consolidated balance sheet (refer note 14)	9,868	21,719
Add: Earmarked bank balances (refer note 15)	-	337
Less: Bank overdraft (refer note 24)	-	(496)
Total	**9,868**	21,560

NAYARA ENERGY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Reconciliation between the opening and closing balances in the consolidated balance sheet for liabilities arising from financing activities #

Particulars	As at April 01, 2025	Cash changes (net)	Non cash changes (net)	As at March 31, 2026
Borrowings (long term and short term borrowing)	125,525	(22,723)	1,090	103,892

Particulars	As at April 01, 2024	Cash changes (net)	Non cash changes (net)	As at March 31,2025
Borrowings (long term and short term borrowing)*	117,100	7,598	827	125,525

*Excluding bank overdraft disclosed as part of cash and cash equivalent for the purpose of statement of cashflow .

for lease, refer note 38

Note:

a) The above cash flow from operating activities has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of cash flows.

b) Refer note (refer note 41(B)(iv)) for undrawn committed facilities as at reporting date.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

Naman Agarwal
Digitally signed by Naman Agarwal
DN: cn=Naman Agarwal, c=IN, o=Personal
Date: 2026.05.26 22:04:58 +05'30'

per Naman Agarwal
Partner
Membership No. 502405
Mumbai, May 26, 2026

For and on behalf of the Board of Directors of Nayara Energy Limited

PRASAD KRISHNA PANICKER
Digitally signed by PRASAD KRISHNA PANICKER
Date: 2026.05.26 19:25:24 +05'30'

Prasad K. Panicker
Executive Chairman
DIN : 06476857
Mumbai

TEYMUR ABASGULIYEV

Teymur Abasguliyev
Chief Executive Officer

Mumbai

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Deepesh Baxi
Chief Financial Officer

Mumbai

MAYANK BHARGAVA

Mayank Bhargava
Company Secretary
Membership No. A13927
Mumbai
May 26, 2026

NAYARA ENERGY LIMITED

Notes to consolidated financial statements for the year ended March 31, 2026

1. Corporate information

Nayara Energy Limited ("the Company" or "the parent Company") (CIN: U11100GJ1989PLC032116) is a public limited company incorporated under the provisions of the Companies Act, 1956 (since replaced by the Companies Act, 2013, as amended). The registered office of the Company is located at Devbhumi Dwarka, Gujarat, India. The Company and its subsidiaries (collectively referred to as the Group) are primarily engaged in the business of refining of crude oil, marketing of petroleum products in domestic and overseas markets, providing port and terminal services for the Company's refinery. The Company owns India's second largest single site refinery at Vadinar, Gujarat with a current capacity of 20MMTPA. The Company has around 7,000 operational outlets and around 1,800 outlets at various stages of completion.

The consolidated financial statements of the Group for the year ended March 31, 2026 were approved in accordance with a resolution of the Directors of the Company on May 26, 2026. Information about the Group's structure is provided as below. Information on other related party relationships of the Group is provided in note 43.

Sr. No.	Name of Subsidiaries	Principal activities	Relation	Country of Incorporation/ Principal place of business	Proportion of ownership Interest (%)	
					As at March 31, 2026	As at March 31, 2025
1	Nayara Energy Singapore Pte. Limited (NESPL)	Engaged in trading and allied activities in the oil and commodities sector	Subsidiary	Singapore	100%	100%
2	Coviva Energy Terminals Limited (CETL)	Engaged in development of marine liquid terminal facilities	Subsidiary	India	100%*	100%*
3#	Nayara Energy Overseas Holdings LLC (NEOHL)	Owning and maintaining one or more subsidiaries, granting security and providing indemnity/ guarantee within the Holding Company Group	Subsidiary	Qatar	100%	100%

The Company is sole shareholder of NEOHL and is yet to infuse the equity share capital amount of USD 2,000,000 in NEOHL

* Includes nominee shareholders holding shares on behalf of the Company.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind ASs), prescribed under Section 133 of the Companies Act 2013 (as amended) (herein after referred to as "the Act" read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

These consolidated financial statements are prepared under the accrual basis and historical cost measurement, except for certain financial instruments (refer note 3 (K)), which are measured at fair values. The consolidated financial statements provide comparative information in respect of the previous year. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. The consolidated financial statements are presented in Indian

Notes to consolidated financial statements for the year ended March 31, 2026

Rupees (₹) which is the functional currency of the Company, and all values are rounded to the nearest million, except where otherwise indicated. All amounts individually less than ₹ 0.5 million have been reported as "0".

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (collectively, the "Group") as at reporting date.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation procedures:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

(d) Deferred tax assets and liabilities are recognised for temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.

3. Summary of material accounting policies

A. Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each consolidated balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
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.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at a fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities.

For the purpose of fair value disclosures, the Group 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.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions (refer note 41)
- Quantitative disclosures of fair value measurement hierarchy (refer note 41)
- Financial instruments (including those carried at amortised cost) (refer note 41)

B. Property, Plant and Equipment

Property, plant and equipment (PPE) is stated at cost of acquisition less accumulated depreciation and accumulated impairment loss, if any.

Cost of acquisition comprises of all costs incurred to bring the assets to their present location and working condition up to the date the assets are ready for their intended use. Cost also includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection including turnaround and maintenance is performed, its cost is recognised in the carrying amount of the plant and equipment if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment losses, if any. It includes all directly attributable costs incurred for construction or procurement of goods incurred during the construction phase of project under development.

Depreciation

Depreciation on PPE is provided, on pro-rata basis from the date of assets is available for use , using the straight line method, over the estimated useful life given below, which is different than useful life as specified in the Schedule II to the Companies Act, 2013. The estimate of the useful life of these assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Major inspection including turnaround and maintenance cost are depreciated over the next turnaround cycle. The estimated useful life of items of property, plant and equipment is mentioned below:

Particulars	Estimated useful life (in years)	Useful life as per schedule II (in years)
Temporary Building	3	3
Building #	15-60	5-60
Plant and machinery * #	25-50	10-40
Catalysts (included within plant and machinery)	2-5	2-5
Furniture and fixtures	1-10	1-10
Office equipment	1-6	1-6
Vehicles	1-10	1-10

* Additionally, there are certain key components identified within plant and machinery having a useful life up to 25 years and are depreciated over such assessed useful life.

Asset built on land taken on lease is depreciated over the above useful life or the lease period, whichever is lower

In case of an asset for which impairment loss, if any, is recognised, depreciation or amortisation is provided on the residual carrying value of the asset over its remaining useful life.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

C. Other Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, and treated as change in estimate, if any change is required.

The Group has estimated the useful life of software and licenses ranging from 3 - 5 years from the date of acquisition and amortises the same over the said period on a straight-line basis.

Derecognition

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.

D. Impairment of non-financial assets

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

Impairment losses of continuing operations are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates.

E. Leases

A contract or parts of contracts that conveys the right to control the use of an identified asset for a period of time in exchange for payments to be made to the owners (lessors) are accounted for as leases. Contracts are assessed to determine whether a contract is, or contains, a lease at the inception of a contract or when the terms and conditions of a contract are significantly changed. The lease term is the non-cancellable period of a lease, together with contractual options to extend or to terminate the lease early, where it is reasonably certain that an extension option will be exercised or a termination option will not be exercised.

Group as a lessee

At the commencement of a lease contract, a right-of-use asset and a corresponding lease liability are recognised, unless the lease term is 12 months or less or underlying asset is of low value. The commencement date of a lease is the date the underlying asset is made available for use.

Lease liability is measured at an amount equal to the present value of the lease payments during the lease term that are not paid at that date. Lease liability includes contingent rentals and variable lease payments that depend on an index, rate, or where they are fixed payments in substance. The lease liability is remeasured when the contractual cash flows of variable lease payments change due to a change in an index or rate when the lease term changes following a reassessment.

Lease payments are discounted using the interest rate implicit in the lease. If that rate is not readily available, the incremental borrowing rate is applied. The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment.

In general, a corresponding right-of-use asset is recognised at cost, which comprises the amount of the initial measurement of the lease liabilities, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee adjusted for accumulated depreciation, accumulated impairment losses and any remeasurement of lease liabilities. The depreciation on right-of-use assets is recognised as expense unless capitalised when the right-of-use asset is used to construct another asset. Right of use assets are depreciated on a straight-line basis over the lesser of the assessed useful lives of the asset (refer 'B' above) or the lease period (refer note 38). Right to use of trademark assets are amortised over the usage period.

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

Impairment of the right-of-use asset

Right-of-use assets are subject to existing impairment requirements as set out in "Impairment of non-financials assets"

F. Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of crude oil purchased is determined on a first-in-first-out basis and the cost of coal inventory is determined on a specific identification method. The cost of finished goods is determined on a monthly weighted average basis and the cost of all other inventories is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

G. Revenue from contract with customer

(i) Sale of goods

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer. Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The recovery of excise duty flows to the Group on its own account, revenue includes excise duty. Revenue does not include other taxes like goods and service tax, value added tax and central sales tax etc. which are collected on behalf of government.

(ii) Variable consideration

Variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of cumulative revenue recognised will not occur when the associated uncertainty is subsequently resolved. Variable consideration arises primarily from volume rebates and sales to certain traders where the final transaction price is based on their ultimate realisations. The Group estimates variable consideration using the expected value method. Retrospective volume rebates are provided to certain customers once purchases exceed contractually specified thresholds and are offset against amounts payable by the customer. The expected ultimate sales realization of the traders is estimated based on prevailing market conditions. The Group regularly reviews the estimates of variable consideration and records necessary adjustments at each reporting date.

(iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract liabilities are recognised as revenue when the Group performs obligations under the contract.

(iv) Trade Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable. (refer note 13). No element of financing is deemed present as the sales are made with credit terms largely ranging between 0 days to 30 days depending on the specific terms agreed with customers.

H. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an assets, it is recognised as income in equal amount over the expected useful life of the related assets.

I. Retirement and other employee benefits

Contributions to defined contribution plans are recognised as expense on accrual basis when employees have rendered services and as when the contributions are due. These expenses are confined to contribution only.

The Group determines the present value of the defined benefit obligation and fair value of plan assets. The net liability or assets represents the deficit or surplus in the Group's defined benefit plans. (The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans). The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

a. The date of the plan amendment or curtailment, and
b. The date that the Company recognises related restructuring costs

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
b. Net interest expense or income

Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss. Accumulated Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

J. Foreign currencies

The Group's consolidated financial statements are presented in Indian Rupees, which is also the parent Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to the consolidated statement of profit and loss reflects the amount that arises from using this method.

i) Monetary Items

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at exchange rate prevailing on the reporting date. Foreign exchange difference arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss except for monetary items that are designated and effective as hedge instrument..

Exchange differences arising on settlement/ restatement of long-term foreign currency monetary items recognized in the financial statements for the year ended March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable property, plant and equipment to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable property, plant and equipment, the exchange difference is amortised over the maturity period/ upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable. Exchange difference arising on settlement / restatement of other items are charged to statement of profit and loss.

ii) Non-monetary Items

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified in the consolidated statement of profit or loss.

Any goodwill arising on the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date. The restated gain / loss is recognised in OCI.

K. 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. Financial instruments comprise of financial assets and financial liabilities. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments. Derivatives can be financial assets or financial liabilities depending on whether value is positive or negative respectively.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

(i) Financial Assets

a) Initial Recognition and measurement

The Group initially recognises loans and advances and deposits and debt securities issued on the date on which they originate. All other financial instruments (including purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset (except trade receivables at amortised cost) is initially measured at fair value plus / minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification of financial assets

On initial recognition, a financial asset is classified into one of the following categories:

- Equity instruments at fair value through profit or loss (FVTPL)
- Financial assets other than equity investment at amortised cost
- Financial assets other than equity investment at fair value through other comprehensive income (FVTOCI)
- Financial assets other than equity investment at fair value through profit or loss (FVTPL)

Equity instruments at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on equity investments are recognised as other income in the consolidated statement of profit and loss when the right of payment has been established.

Financial assets other than equity investment measured at amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets. 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 finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to deposits, advances, trade and other receivables.

Financial assets other than equity investment at FVTOCI:

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets other than equity investment at FVTPL:

FVTPL is a residual category for financial assets. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

c) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

d) Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- For other assets, the Group uses 12 month Expected Credit Loss to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk lifetime Expected Credit Loss is used.
- Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables, the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the consolidated statement of profit and loss and is included in the 'Other income' line item.

(ii) Financial liabilities / debt and equity instruments

a) Classification as financial liability / debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument in Ind AS 32 Financial Instruments Presentation.

b) Financial liabilities / debt

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings including 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 loans and borrowings and payables, net off directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments. Derivative can be financial assets or financial liabilities depending on whether value is positive or negative respectively.

The financial liabilities used to minimise accounting mismatch are classified and measured as at FVTPL in accordance with Ind AS 109 Financial Instruments. All other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

c) Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the new liability recognised plus consideration paid or payable is recognised in the consolidated statement of profit and loss.

L. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement of Derivative

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks. These derivatives include foreign exchange forward contracts, foreign exchange options, commodity forward contracts, interest rate swaps and cross / full currency swaps. For risk management objectives refer note 41(B).

All derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The resulting gain or loss is recognised in the consolidated statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the consolidated statement of profit and loss or otherwise depends on the nature of the hedge item.

(i) Hedge Accounting

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 the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

(ii) Cash flow hedges

Changes in the fair value of derivatives/ hedging instruments that are designated and qualify as cash flow hedges are carried in the "Cash Flow Hedge Reserve". The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts carried in the Cash Flow Hedge Reserve Account are recycled in the statement of profit and loss in the periods when the hedged item is recognised and affects the statement of profit and loss, in the same line as the hedged item.

Hedge accounting is discontinued when - the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In case of cash flow hedges, any cumulative gain or loss carried in the Cash Flow Hedge Reserve Account at that time is retained and is recognised when the forecast transaction is ultimately recognised and affects the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was carried in Cash Flow Hedge Reserves, is recognised immediately in the statement of profit and loss.

M. Borrowing Costs

Borrowing costs consists of interest and finance charges that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences on foreign currency borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

N. Taxes

(i) Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside consolidated statement of profit and loss is recognised outside consolidated statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. However, recognition of deferred tax asset is subject to the following exceptions:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

These carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and 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.

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

O. Provisions and Contingent liabilities

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past event that is not recognized 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

P. Cash and Cash Equivalent

Cash and short-term deposits in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Q. Current and Non-Current Classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The Group has identified period up to twelve months as its operating cycle.

R. Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent Company by the weighted average number of equity shares outstanding during the period.

4. Critical accounting judgments and key sources of estimation uncertainty

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated

financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalizing or cannot be quantified reliably are treated as contingent liabilities. Among other matters, such determination require involvement of legal and other subject matter experts. Depending on materiality, the Group may involve internal and/ or external experts to make such assessment. Contingent liabilities are disclosed in the notes but are not recognized, refer note no 36.

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

The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 45.

5. Changes in accounting policies and Standards issued but not yet effective

A. Standards issued but not yet effective

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

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

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

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

B. New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2025.

1. Amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The Company has reviewed the new pronouncements and based on its evaluation, the Company has determined that it does not have any significant impact in its financial statements.

2. Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants. In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025 retrospectively in accordance with Ind AS 8.

3. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 01, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

4. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

These amendments had no material impact on the financial statements of the Group.

NAYARA ENERGY LIMITED

Notes to consolidated financial statements for the year ended March 31, 2026

6 Property, plant and equipment, Capital Work-In-Progress, Goodwill, Other Intangible assets, Intangible assets under development and Right-of-use assets

(₹ in million)

Description of the assets	Gross block (I)				Depreciation / amortisation (II)				Net block (III) = (I - II)
	As at April 01, 2025	Additions	Deductions	As at March 31, 2026	As at April 01, 2025	During the year	Deductions	As at March 31, 2026	As at March 31, 2026
A) Property, plant and equipment									
Land (Freehold)	54,302	-	-	54,302	-	-	-	-	54,302
Buildings	23,624	471	-	24,096	8,546	1,056	-	9,602	14,493
Plant and machinery	519,890	2,984	35	522,839	141,656	17,630	9	159,277	363,562
Furniture and fixtures	380	29	-	409	249	23	-	272	137
Office equipments	3,327	819	159	3,987	2,715	297	150	2,862	1,125
Vehicles	264	9	1	272	106	26	1	131	141
Total Property, plant and equipment	**601,787**	**4,312**	**195**	**605,904**	**153,272**	**19,032**	**160**	**172,144**	**433,760**
B) Capital Work In Progress									
Capital work-in-progress (refer note 1 below)	**17,893**	**35,315**	**4,312**	**48,896**	-	-	-	-	**48,896**
C) Goodwill									
Goodwill (refer note 45)	**108,184**	-	-	**108,184**	-	-	-	-	**108,184**
D) Other intangible assets									
Softwares & licenses	**1,877**	**255**	**140**	**1,992**	**1,529**	**160**	**140**	**1,549**	**443**
E) Intangible assets under development									
Softwares	**143**	**112**	**255**	-	-	-	-	-	-
F) Right-of-Use assets (refer note 38)									
Land	13,225	1,253	209	14,269	2,793	628	44	3,377	10,892
Building	2,414	185	29	2,570	1,359	389	23	1,725	845
Plant & machinery	3,436	2,559	224	5,771	2,101	963	159	2,905	2,866
Vehicles (including vessels)	878	-	-	878	238	161	-	399	479
Trademark	18,282	-	-	18,282	18,121	3	-	18,124	158
Softwares	-	724	-	724	-	35	-	35	689
Total Right-of-use assets	**38,235**	**4,721**	**462**	**42,494**	**24,612**	**2,179**	**226**	**26,565**	**15,929**
Total (A+B+C+D+E+F)	**768,119**		**5,364**	**807,470**	**179,413**	**21,371**	**526**	**200,258**	**607,212**

6 Capital Work-In-Progress

Capital Work-In-Progress Ageing schedule as at March 31, 2026

(₹ in million)

Particulars	Amount in Capital Work-In-Progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	30,328	5,717	567	908	37,520
Projects temporarily suspended	5,667	2,795	548	2,366	11,376
Total	**35,995**	**8,512**	**1,115**	**3,274**	**48,896**

Capital Work-In-Progress schedule over due as at March 31, 2026

(₹ in million)

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress*	1,676	-	-	-	1,676
Projects temporarily suspended*	-	-	3,704	7,672	11,376
Total	**1,676**	**-**	**3,704**	**7,672**	**13,052**

There have been no cost overrun for the outstanding Capital Work-In-Progress.
*Mainly pertaining to refinery related projects

6 Property, plant and equipment, Capital Work-in-Progress, Goodwill, Other Intangible assets, Intangible assets under development and Right-of-use assets

(₹ in million)

Description of the assets	Gross block (I)				Depreciation / amortisation (II)				Net block (III) = (I - II)
	As at April 01, 2024	Additions	Deductions	As at March 31,2025	As at April 01, 2024	During the year	Deductions	As at March 31,2025	As at March 31,2025
A) Property, plant and equipment									
Land (Freehold)	53,101	1,201	-	54,302	-	-	-	-	54,302
Buildings	20,880	2,744	-	23,624	7,553	993	-	8,546	15,078
Plant and machinery	467,339	54,051	1,500	519,890	125,098	17,912	1,354	141,656	378,234
Furniture and fixtures	354	26	-	380	228	21	-	249	131
Office equipments	3,100	227	0	3,327	2,382	333	0	2,715	612
Vehicles	160	93	9	264	92	22	8	106	158
Total Property, plant and equipment	**544,954**	**58,342**	**1,509**	**601,787**	**135,353**	**19,281**	**1,362**	**153,272**	**448,515**
B) Capital Work In Progress									
Capital work-in-progress (refer note 1 below)	**54,210**	**22,211**	**58,528**	**17,893**	**-**	**-**	**-**	**-**	**17,893**
C) Goodwill									
Goodwill (refer note 45)	**108,184**	**-**	**-**	**108,184**	**-**	**-**	**-**	**-**	**108,184**
D) Other intangible assets									
Softwares & licenses	**1,686**	**191**	**-**	**1,877**	**1,415**	**114**	**-**	**1,529**	**348**
E) Intangible assets under development									
Intangible assets under development	**-**	**143**	**-**	**143**	**-**	**-**	**-**	**-**	**143**
F) Right-of-Use assets (refer note 38)									
Land	12,828	917	520	13,225	2,365	588	160	2,793	10,432
Building	2,183	363	132	2,414	1,115	376	132	1,359	1,055
Plant & machinery	4,768	49	1,381	3,436	2,773	709	1,381	2,101	1,335
Vehicles (including vessels)	1,218	640	980	878	1,046	176	984	238	640
Trademark	18,282	-	-	18,282	18,061	60	-	18,121	161
Total Right-of-use assets	**39,279**	**1,969**	**3,013**	**38,235**	**25,360**	**1,909**	**2,657**	**24,612**	**13,623**
Total (A+B+C+D+E+F)	**748,313**		**63,050**	**768,119**	**162,128**	**21,304**	**4,019**	**179,413**	**588,706**

6 Capital Work-In-Progress and Intangible assets under development

Capital Work-In-Progress Ageing schedule as at March 31, 2025

(₹ in million)

Particulars	Amount in Capital Work-In-Progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	11,274	1,833	1,659	3,127	17,893
Total	**11,274**	**1,833**	**1,659**	**3,127**	**17,893**

Capital Work-In-Progress schedule over due as at March 31, 2025

(₹ in million)

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress*	1,914	3,623	-	-	5,537
Total	**1,914**	**3,623**	**-**	**-**	**5,537**

There have been no cost overrun for the outstanding Capital Work-In-Progress.
*Mainly pertaining to refinery related projects

Intangible assets under development as at March 31, 2025

(₹ in million)

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	143	-	-	-	143
Total	**143**	**-**	**-**	**-**	**143**

6 Property, plant and equipment, Capital Work-In-Progress, Goodwill, Other Intangible assets, Intangible assets under development and Right-of-use assets

Notes:

1 The Group incurred total cost of ₹ 958 million as Expenditure During Construction [including salary of ₹ 693 million and other expense of ₹ 265 million] (Previous year ₹ 1,078 million as Expenditure During Construction [including salary of ₹ 729 million and other expense of ₹ 349 million]) for asset development projects and Nil (Previous year ₹ 926 million) as borrowing cost which is included/capitalised from Capital work-in-progress.

2 For details of assets pledge as security, refer note 21 and 24.

7 Investments (Non Current) (Unquoted)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Other Investments - At FVTPL		
Investments in equity shares (fully paid-up)		
13,000,000 (Previous year 13,000,000) equity shares of ₹ 10 each of Petronet VK Limited*	-	-
1,584,000 (Previous year 1,584,000) equity shares of ₹ 10 each of Petronet CI Limited * @	-	-
10,000,000 (Previous year 10,000,000) equity shares of ₹ 0.10 each of Petronet India Limited * @	-	-
Total	-	-

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate amount of unquoted investments	-	-
Total	-	-

* Investments are fair valued at Zero.
@ companies are under liquidation.

8 Loans (Non Current)
(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Loan to retail outlet franchisee #	548	483
Total	548	483

Carry an interest rate of 7.5% -13% p.a. and are repayable in equal instalments over a period of 3 years to 5 years
For details of assets pledged as security against borrowings, refer note 21 and 24.

9 Other Financial Assets (Non Current)
(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars		As at March 31, 2026	As at March 31, 2025
Security deposits	(A)	476	456
Contractual receivables			
- Considered good		40	17
- significant increase in credit risk		697	1,428
- Less: Expected credit loss (refer note 41(B)(vi))		(697)	(1,428)
	(B)	40	17
Margin deposits with remaining maturity of more than twelve months #	(C)	396	381
Interest accrued on bank deposits	(D)	16	1
	Total ((A)+(B)+(C)+(D))	928	855

mainly placed as margin for guarantees obtained from banks and to earn interest at the respective short-term deposit rates.
For details of assets pledged as security against borrowings, refer note 21 and 24.

10 Other non-current assets
(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	80	118
Balances with government authorities	262	136
Capital advances	1,799	6,209
Claims Receivables		
- Considered good	4,787	4,216
- Considered doubtful	51	51
Less: allowance for doubtful receivables	(51)	(51)
Total	6,928	10,678

For details of assets pledged as security against borrowings, refer note 21 and 24.

11 Inventories

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	52,160	38,823
Work-in-progress	60,274	29,191
Finished goods (including in transit ₹ 5,311 million (Previous year ₹ 11,252 million))	27,492	31,723
Stock-in-trade (including in transit ₹ 168 million (Previous year ₹ 220 million))	178	221
Stores and spare parts (including in transit Nil (Previous year ₹ 7 million))*	9,675	9,035
Other consumables	3,538	3,574
Total	153,317	104,567

* Store and spare parts net off by ₹ 814 million (Previous year : ₹ 327 million) provisions towards non moving inventories.
Refer note 3(F) for basis of valuation.
For details of inventories pledged as security against borrowings, refer note 21 and 24.

12 Investments (Current)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments in mutual funds - At FVTPL*	-	9,579
Total	-	9,579

*Aggregate amount of unquoted investments.
For details of assets pledged as security against borrowings, refer note 21 and 24.
For the Group's exposure to credit risks refer note 41(B)(v)

13 Trade receivables

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured, considered good	4,208	10,498
Unsecured, considered good (refer note 41(A) 6)	184,064	31,631
Trade receivables - credit impaired	991	462
	189,263	42,591
- Less: Expected credit loss (refer note 41(B)(vi))	(991)	(462)
Total	188,272	42,129

For the Group's exposure to credit and currency risks, and loss allowances and terms & conditions related to trade receivables, refer note 41(B).
For details of assets pledged as security against borrowings, refer note 21 and 24.
The Group has discounted bill receivables amounting to Nil (Previous year : ₹ 5,901 million), on non-recourse basis. The management has assessed that the Group does not have any continuing involvement with the said bills discounted, except in an unlikely scenario of dispute arising with regard to the existence of the receivable discounted. Accordingly, the discounting meets derecognition criteria and the money received has been netted off from the trade receivables discounted.

13A Ageing of Trade receivables

As at March 31, 2026 (₹ in million)

Particulars	Not due Amount	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	01- 02 years	02- 03 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	42,846	136,948	8,461	-	-	-	188,272
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	62	505	78	305	17	991
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	42,846	137,027	8,990	78	305	17	189,263

As at March 31, 2025 (₹ in million)

Particulars	Not due Amount	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	01- 02 years	02- 03 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	38,820	3,309	-	-	-	-	42,129
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0	35	55	330	10	18	452
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	38,820	3,344	55	330	10	18	42,581

Note: There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

14 Cash and cash equivalents (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks in:		
-Current accounts #	1,778	9,657
-Deposits with original maturities less than 3 months*	8,090	12,062
Cash on hand	0	0
Total	9,868	21,719

includes unutilised amount of term loans Nil (Previous year ₹ 300 million) raised for ongoing capital projects.
*Short-term deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Group and to earn interest at the respective short-term deposit rates.

For details of assets pledged as security against borrowings, refer note 21 and 24.

15 Bank balances other than Cash and cash equivalents (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked bank balances #	1,818	337
Margin deposit with original maturities more than 3 months but less than 12 months*	34,182	26,790
Bank deposit with original maturities more than 3 months but less than 12 months	20,186	15,842
Total	56,184	42,969

Earmarked bank balances includes
(a) ₹ 33 million (Previous year ₹ 33 million) payable as purchase consideration to NRI shareholders of Vadinar Oil Terminal Limited (VOTL) (formerly a subsidiary of the Company) pursuant to its merger.
(b) ₹ 1,022 million (Previous year ₹ 204 million) payable as interest and principal of debentures.
(c) ₹ 756 million (Previous year : ₹ 100 million) represents unspent CSR amount.
(d) ₹ 5 million (Previous year : Nil) represents payable towards Buyback program
* Mainly placed as margin for letters of credit facilities, guarantees and short term borrowings obtained from banks and to earn interest at the respective bank deposit rates and for guarantees issued to government and other authorities.

For details of assets pledged as security against borrowings, refer note 21 and 24.

16 Loans (Current)

(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Loan to retail outlet franchisee #	242	368
Total	242	368

Carry an interest rate of 7.5% - 13% p.a. and are repayable in equal instalments over a period of 3 years to 5 years

For details of assets pledged as security against borrowings, refer note 21 and 24.

17 Other Financial Assets (Current)

(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars		As at March 31, 2026	As at March 31, 2025
Security deposits	(A)	51	48
Export incentive receivables			
- Considered good		261	646
- significant increase in credit risk		73	73
- Less: Expected credit loss (refer note 41(B)(vi))		(73)	(73)
Contractual receivables			
- Considered good		1,497	2,011
- significant increase in credit risk		397	339
- Less: Expected credit loss (refer note 41(B)(vi))		(397)	(339)
	(B)	1,758	2,657
Interest accrued on bank deposits	(C)	2,822	2,230
Margin Deposits with remaining maturity less than 12 months*	(D)	7,536	7,196
Bank Deposits with remaining maturity less than 12 months	(E)	31,000	13,843
Derivative assets (refer note 41(A))	(F)	20	1,214
Total ((A)+(B)+(C)+(D)+(E)+(F))		43,181	27,188

For details of assets pledged as security against borrowings, refer note 21 and 24.

* Mainly placed as margin for letters of credit facilities, guarantees and short term borrowings obtained from banks and to earn interest at the respective bank deposit rates and for guarantees issued to government and other authorities.

18 Other Current assets

(Unsecured and considered good, unless otherwise stated)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances to goods suppliers / service providers	1,118	873
Prepaid expenses	1,786	2,168
Balances with government authorities	407	87
Total	3,311	3,128

For details of assets pledged as security against borrowings, refer note 21 and 24.

19 Equity Share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ in million	Number of shares	₹ in million
Authorised				
Equity shares of ₹ 10 each	17,000,680,000	170,007	17,000,680,000	170,007
Preference Shares of ₹ 10 each	1,000,000,000	10,000	1,000,000,000	10,000
Issued and subscribed				
Equity shares of ₹ 10 each	1,550,316,808	15,503	1,552,487,156	15,525
Paid up				
Equity shares of ₹ 10 each fully paid up	1,488,390,808	14,884	1,490,561,156	14,906
Add : Forfeited shares - Equity shares of ₹ 10 each	61,926,000	166	61,926,000	166
		15,050		15,072

a) **Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :**

(₹ in million)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ in million	Number of shares	₹ in million
Equity Shares outstanding at the beginning of the year	1,490,561,155	14,906	1,490,561,155	14,906
Add : Equity shares issued	-	-	-	-
Less : Buyback of shares	2,170,347	22		
Equity Shares outstanding at the end of the year	1,488,390,808	14,884	1,490,561,155	14,906

The above includes 475,731,927 (Previous year 475,731,927) underlying equity shares represented by 3,109,359 (Previous year 3,109,359) outstanding global depository shares (GDS). Each GDS represents 153 underlying equity shares.

b) **The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital:**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of an equity share is entitled to one vote per share.

The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Holders of GDS are entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of equity shares, less the fees and expenses payable under the Deposit Agreement and any Indian tax applicable to such dividends. The holders of GDS are entitled to instruct the Depository to exercise the voting rights, arising under the equity shares represented by the GDS at general meetings and through postal ballot. In the event of liquidation the rights of the GDS holders are equivalent to rights of the equity shareholders.

c) **Details of shareholders holding more than 5% shares (including GDS) in the Company:**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of shares	Number of shares	% of shares
3,109,359 (3,109,359 as at March 31, 2025) GDS held by Kessani Enterprise Company Limited *	475,731,927	31.96%	475,731,927	31.92%
Equity shares held by Kessani Enterprise Company Limited *	256,584,520	17.24%	256,584,520	17.21%
Equity shares held by Rosneft Singapore Pte. Limited	732,326,446	49.20%	732,326,446	49.13%

* Holding has been pledged.

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

d) **Buyback of shares**

At its meeting held on March 03, 2026, the Board of Directors approved a buyback offer to minority public shareholders of up to 25,009,252 fully paid equity shares (representing approximately 1.74% of the total equity share capital), at a price of ₹ 731 per equity share, for an aggregate amount not exceeding ₹ 18,839 million, excluding transaction costs.

The buyback offer opened on April 11, 2025 and closed on May 07, 2026. On May 29, 2026 the Company bought back and extinguished 2,170,347 equity shares at ₹ 1,587 million.

20 Other equity

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve	609	609
Securities premium	76,423	78,014
Capital redemption reserve	22	-
Debenture redemption reserve	-	267
General reserve	831	596
Retained Earnings	499,381	409,036
Cash flow hedge reserve	(988)	(3,868)
Foreign currency translation reserve	(34)	(94)
Total	576,244	485,030

Note : Refer statement of changes in equity for addition and deduction for each of the reserves.

Nature and purpose of reserves

Capital reserve: Created reserve can be utilised for issuance of bonus shares.

Securities premium : The amount in the account represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares. The same can be utilised for the items specified under section 52 of the Companies Act, 2013.

Capital Redemption Reserve : Capital Redemption Reserve represents an amount transferred from general reserve account equal to the nominal value of equity shares bought back by the Company, in accordance with the provisions of the Companies Act, 2013. The reserve is available only for issue of fully paid bonus shares in accordance with the Act.

Debenture redemption reserve: The Group has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 10% of the value of debentures issued. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption, the same amount can be transferred to either retained earnings or general reserve.

General reserve: Represents the reserve created mainly on account of amount transfer from debenture redemption reserve on redemption of debentures. It can be used for distribution to equity shareholders only after complying with restrictions contained in The Companies (Declaration and Payment of Dividend) Rules, 2014.

Retained earnings: Net earnings, retained by the Group to be reinvested in its core business. It also includes fair valuation of property, plant and equipment and other assets done by the Group on transition to Ind AS and used as deemed cost of the concerned assets. Whether the Company can use these amount for distribution depend on specific requirements of the Companies Act, 2013 (as amended) and rules framed thereunder. Particularly, unrealised fair value gains cannot be used for dividend distribution.

Cash flow hedge reserve: Changes in the fair value of derivatives/ hedging instruments that are designated and qualify as cash flow hedges are deferred in the "Cash Flow Hedge Reserve". The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts deferred in the Cash Flow Hedge Reserve Account are recycled in the statement of profit and loss in the periods when the hedged item is recognised and affects the statement of profit and loss, in the same line as the hedged item.

Foreign currency translation reserve: Represents exchange differences arising on translation of the foreign operations. The cumulative amount is reclassified to profit or loss when the foreign operation is disposed-off.

21 Borrowings - Non Current

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured Borrowings - At amortised cost		
Debentures		
Non convertible debentures	-	7,568
Term loans*		
From banks	75,797	81,056
From financial institutions	5,214	5,319
Current maturities of long term debt included under short term borrowings (refer note 24 and 44)	(81,011)	(8,226)
Total	-	85,717

* refer note 41(B)(a)for borrowings outstanding in foreign currencies.
Interest accrued of ₹ 7 million (Previous year ₹ 72 million) forming part of the carrying value of the non-current borrowings are disclosed in note 25

Security, repayment and other terms for term loans from banks and debentures (refer note 44)

(₹ in million)

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	Rupee and USD loan availed from various banks are secured by first charge, ranking pari- passu with other term lenders on the property, plant and equipment (movable and immovable), both present and future of the Company except land parcels and property, plant and equipment (movable and immovable) earmarked for port, power plant & Polypropylene Project. Second charge, pari- passu with other term lenders on the current assets of the Company, first charge by way of assignment or security interest over all rights, titles, insurance and interest in all project documents to which the Company is a party, first charge on DSRA/margin as and when created. The said Loans carry interest of respective lenders rate of 3M T-Bills, 6M MCLR, ON, 6M SOFR, Repo Rate + spread ranging from 50 bps to 325 bps and is repayable in unequal installments ending in September 2038.	27,249	28,664
ii)	8% Non convertible debentures are secured by second ranking pari passu charge on movable property, plant and equipment pertaining to the Port Facilities of the Company carry fixed interest of 8% p.a. was paid in a single bullet payment in December 2025.	-	2,566
iii)	Rupee loan from financial institution / banks are secured by first charge ranking pari-passu over all movable and immovable assets of the Company relating to Port, both present and future, insurance contracts, title and interests under project documents. The said loans carry an interest rate of internal benchmark of lender + spread of 55 bps and repayable in unequal quarterly installments ending on December 2044.	5,214	5,319
iv)	Rupee loan availed from various banks are secured by first charge, ranking pari- passu with other term lenders on the property, plant and equipment (movable and immovable) , both present and future of the Refinery except land parcels and property, plant and equipment (movable and immovable) earmarked for port, power, township & Polypropylene Project. Second charge, pari- passu with other term lenders on the current assets of the Company. The said loans carry interest rate at bank's 6M MCLR/3M T- Bills + spread ranging from 0.70% to 2.30% is repayable in structured quarterly installments ending in December 2032.	15,393	19,293
v)	First charge, ranking pari passu on all present and future immovable & movable assets related to Polypropylene Project, DSRA & security interest on the rights, title and interest under Project documents & insurance policies. The said loans from banks carry fixed interest rate/ 6M MCLR + spread of 25 bps and repayable in structured quarterly installments ending in December 2036.	32,155	33,100
	Total	81,011	88,943

22 Other financial liabilities (Non-Current)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	920	849
Derivative liabilities (refer note 41(A))	113	1
Total	1,033	850

23 Deferred tax liabilities (net) and Tax expense

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities (Net)	77,543	77,202
Total	77,543	77,202

(A) Income tax expense / (benefit)

(₹ in million)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	(A)	31,489	20,871
Deferred tax	(B)	163	2,916
Total tax charged in statement of profit and loss	**((A)+(B))**	**31,652**	**23,787**
Current tax	(A)	655	2,069
Deferred tax	(B)	177	(593)
Total tax charged in other comprehensive income	**((A)+(B))**	**832**	**1,476**

(B) The income tax expenses for the year can be reconciled to the accounting profit as follows:

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	**121,924**	84,582
Statutory tax rate	**25.17%**	25.17%
Expected income tax expense at statutory rates	**30,688**	21,289
Items giving rise to difference in tax		
Expenses disallowed*	**896**	692
Effect of change in tax law on long term capital assets	**-**	1,806
Reversal of deffered tax assets on deductions allowed relating to settlement under VSV, 2020	**206**	-
Different tax rates in different jurisdiction	**(17)**	(26)
Utilisation of previously unrecognised tax asset	**(117)**	(178)
Others	**(6)**	4
Total income tax charged	**31,652**	23,787
Effective tax rate	**25.96%**	28.12%

* related to CSR, interest on income tax and assets written off

(C) Composition of deferred tax liabilities (net):

(₹ in million)

Deferred tax balance in relation to	As at April 01, 2025	Recognised through profit and loss	Recognised in other comprehensive income	As at March 31, 2026
Property, plant and equipment, intangibles, right of use assets and goodwill	82,614	733	-	83,347
Effect of mark to market accounting	(366)	151	178	(37)
Lease liabilities	(3,980)	(465)	-	(4,445)
Expected credit loss	(577)	33	-	(598)
Others (includes provisions etc.)	(495)	(289)	-	(784)
Total	**77,202**	**163**	**178**	**77,543**

Deferred tax balance in relation to	As at April 01, 2024	Recognised through profit and loss	Recognised in other comprehensive income	As at March 31, 2025
Property, plant and equipment, intangibles, right of use assets and goodwill	79,763	2,851	-	82,614
Effect of mark to market accounting	126	104	(596)	(366)
Lease liabilities	(3,960)	(20)	-	(3,980)
Expected credit loss	(606)	35	-	(571)
Others (includes provisions etc.)	(444)	(54)	3	(495)
Total	**74,879**	**2,916**	**(593)**	**77,202**

(D) The Group has not recognized below mentioned deferred tax assets in the absence of reasonable certainty towards their utilisation:

(₹ in million)

Nature of loss	Gross Amount		Last day till which loss can be set off
	As at March 31, 2026	As at March 31, 2025	
Long term capital loss	-	176	March 31, 2035
Long term capital loss	3,688	3,688	March 31, 2033
Short term capital loss	-	20,882	March 31, 2026

(E) The Income tax department has classified certain expenses amounting to ₹ 24,311 million (as at March 31, 2025: ₹ 11,151 million) as capital expenditure and allowed depreciation as against revenue expenditure claimed by the Group, resulting in the expense being a timing difference for income-tax purposes. Management is confident that the said expenditure will be accepted as revenue in nature by the Appellate Authorities. If the income tax department's position is upheld, it would lead to a cash outflow and corresponding decrease in deferred tax liability by ₹ 6,119 million (as at March 31, 2025: ₹ 2,809 million).

(F) During earlier years, the Group had opted for settlement of eligible income-tax disputes through Vivad Se Vishwas Scheme, 2020 introduced by the Government of India. Based on tax advice obtained, the Group is entitled to claim consequential relief amounting to ₹ 769 million (Previous year: ₹ 1,546 million) arising out of matters settled under the said scheme, in its future tax assessments and continues to recognize deferred tax assets of ₹ 194 million on the same (as at March 31, 2025: ₹ 389 million).

24 Short term borrowings

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Bank overdraft	19,361	496
Working capital demand loans from banks (including packing credits)	3,500	18,357
Buyers' credits and bills discounting @*	-	15,898
Current maturities of long term debt (refer note 21and note 44)	81,011	8,226
Unsecured		
Buyer's credit	-	2,567
Total	**103,892**	**45,304**

Interest accrued of ₹ 4 million (Previous year ₹ 66 million) forming part of the carrying value of the short term borrowings are disclosed in note 26.

Security, repayment and other terms for short term borrowings

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Bank overdraft / cash credit from bank are secured by fixed deposits maintained with banks and carries interest rate of 6.87% to 10.40% and are repayable within 1 year.	19,361	496
b) Working Capital Demand loan and packing credits from bank are secured by first charge on all current assets both present and future including all receivables ranking pari passu basis among lenders, second charge on property, plant and equipment both present and future (except land parcels and property, plant and equipment of power, port and township divisions) on pari passu with other lenders. Some of these loans carries interest rate of MCLR plus spread of 140 bps with 20-30 days tenor and other loans carries interest rate on Secured Overnight Financing Rate (SOFR) plus additional spread ranging from 75 bps to 100 bps payable within 30 to 180 days.	3,500	18,357
c) Buyers' credits is secured by first charge on entire current assets of the Company (existing and future) on a pari passu basis among lenders, second charge on property, plant and equipment both present and future (except land parcel and property, plant and equipment of power, port and township divisions) on a pari passu with other lenders. The loan carries an interest rate which is determined and fixed on date of availing of the loan which was at previous year 6.46% - 6.57% p.a and were repayable within 29 to 62 days of being drawn.	-	12,680
d) Current maturities of long term debt (refer note 21)	81,011	8,226
e) Unsecured buyer's credit carrying interest rate 7.62% p.a. and were repayable within 10 -35 days of being drawn.	-	2,567
* The Group has discounted trade receivable on full recourse basis. Accordingly, the monies received on this account are shown as borrowings as the trade receivable does not meet de-recognition criteria. The related trade receivables have been disclosed under note 13	-	3,078
Total	**103,892**	**45,304**

@ refer note 41(B)(iii) for borrowings outstanding in foreign currencies.

25 Trade Payables

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables (refer note 43 and note 41(A) 6)	231,536	71,117
Total	**231,536**	**71,117**

Generally, trade payables are non-interest bearing and are normally settled within 0-90 days.

25A Trade Payables Ageing

As at March 31, 2026

(₹ in million)

Particulars	Unbilled amount	Not due Amount	Outstanding for following periods from due date of payment *				Total
			<1 year	01- 02 years	02- 03 years	More than 3 years	
(i) Undisputed dues - Others	5,816	36,167	188,343	167	86	868	231,467
(ii) Disputed dues - Others	-	-	-	-	-	69	69
Total	**5,816**	**36,167**	**188,343**	**167**	**86**	**937**	**231,536**

As at March 31, 2025

(₹ in million)

Particulars	Unbilled amount	Not due Amount	Outstanding for following periods from due date of payment *				Total
			<1 year	01- 02 years	02- 03 years	More than 3 years	
(i) Undisputed dues - Others	4,682	65,147	334	22	140	748	71,053
(ii) Disputed dues - Others	-	-	-	-	-	64	64
Total	4,682	65,147	334	22	140	812	71,117

* Undisputed payables outstanding for more than 1 year mainly pertains to vendors for whom payment channels were not available.

26 Other financial liabilities - Current

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued	4,865	2,479
Capital creditors	10,392	8,166
Security deposits	764	879
Unclaimed debenture interest and principal (secured) #	1,018	200
Advances received from customers	-	21,226
Derivative liabilities (refer note 41(A))	-	1,849
Accrued compensation to employees	2,841	2,853
Contractual liabilities	3,186	2,116
Total	23,066	39,568

₹ 0.07 million (Previous year ₹ 0.8 million) has been transferred to Investor Education and Protection Fund on or before due date.

27 Other Current liabilities

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	17,383	15,821
Advances received from customers	4,579	2,161
Export Obligation*	90	112
Other liabilities (non contractual)**	2,735	1,707
Total	24,787	19,801

* In respect of unfulfilled export obligation of ₹ 67.662 million (Previous year ₹ 147.113 million).
** Includes CSR obligation of ₹ 2,428 million (Previous year ₹ 1,457 million)

28 Provisions (Current)

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Compensated absences(refer note 42)	1,706	947
Gratuity (refer note 42)	753	307
Total	2,459	1,254

29 Revenue from operations

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from sale of products #		
Sale of manufactured products	1,277,121	1,352,613
Sale of traded goods	187,511	137,469
Other operating revenues *	1,386	2,092
Total	1,466,018	1,492,174

Comprises of revenue from contracts with customers of ₹ 1,471,567 million (Previous year: ₹ 1,503,170 million) recognised at a point in time and ₹ 5,035 million pertaining to hedging loss (Previous year: ₹ 13,088 million pertaining to hedging loss) related to sales which are recycled from the cash flow hedge reserve when the underlying sales contract is executed and concluded.

* Includes duty drawback income of ₹ 376 million (Previous year ₹ 668 million) and export obligation fulfilment income of ₹ 28 million (Previous year ₹ 243 million), which are in the nature of government grant.

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers. The management believes that such disaggregation better depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Export sales	261,600	369,945
Domestic Oil marketing companies	373,421	367,500
Retail Outlets	668,997	636,223
Institutional business and petrochemicals	167,549	129,502
Total revenue from contracts with customers	1,471,567	1,503,170

(₹ in million)

Contract balances	As at March 31, 2026	As at March 31, 2025	As at April 01, 2024
Trade receivables * (refer note 13)	186,272	42,129	73,197
Contract liabilities (Advances received from customers) (refer note 22, note 26 and note 27)	4,579	22,387	84,656

* Trade receivables are non-interest bearing and are generally on terms of 0 to 30 days. As on March 31, 2026, ₹ 991 million (Previous year ₹ 452 million) has been recognised towards expected credit losses on trade receivables.

Contract liabilities include long-term / short-term advances received to deliver petroleum products.

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue recognised out of contract liabilities outstanding at the beginning of the year	23,738	84,612

Changes in contract liabilities are mainly due to revenue recognised against the same, refund of advances, fresh advances received and foreign exchange fluctuations.

Reconciliation of the amount of revenue from contract with customers with the contracted price

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	1,484,715	1,512,472
Adjustments		
Discount and incentives	(13,148)	(9,302)
Revenue from contract with customers	1,471,567	1,503,170

Performance obligation

The performance obligation is satisfied upon delivery of the goods and services made as per the terms agreed with customers and receivables are generally due within 0 to 30 days from delivery except in case of adjustment against export advances. Pricing of sales made under these export advances is based on market index at the time of supply. Hence it reflects fair value.

30 Other income

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income		
- Bank deposits (carried at amortised cost)	7,131	5,494
- Other financial assets (carried at amortised cost)	202	99
- Interest on income tax refund	*	11
	7,333	5,604
Other gains (net)		
- Net gain on derivative instruments- carried at FVTPL	2,339	768
- Net gain on investments carried at FVTPL	444	726
- Gain on reversal of Expected credit loss (net) (refer note 41(B)(v))	135	1,338
Provision / liabilities written back	36	12
Other non-operating income	1,434	1,627
Total	11,721	11,070

31 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening inventories:		
- Finished goods	31,723	30,153
- Work-in-progress	29,191	24,844
- Stock-in-trade	221	52
(A)	61,135	55,149
Closing inventories:		
- Finished goods	27,492	31,723
- Work-in-progress	50,274	29,191
- Stock-in-trade	178	221
(B)	87,944	61,135
Net (increase) in inventories Total ((A) - (B))	(26,809)	(5,986)

32 Employee benefits expense*

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages (refer note 42)	10,670	8,866
Contribution to provident and other funds (refer note 42)	1,338	713
Staff welfare expenses	697	667
Total	12,705	10,246

* Net of ₹ 583 million (Previous year ₹ 729 million) asset development projects related expense capitalised (refer note 6).

33 Finance costs*

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense	13,101	14,192
Interest on lease liabilities (refer note 38)	1,680	1,584
Exchange differences on foreign currency borrowings	1,054	584
Other finance charges	573	700
Total	16,408	17,060

* Net of Nil (Previous year ₹ 926 million) asset development projects related expense capitalised (refer note 6).

34 Other expenses*

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of chemical, catalyst, stores and spare parts	4,938	4,394
Product handling charges	919	2,003
Consumption of power, fuel and electricity (excludes fuel consumed out of own production ₹ 25,410 million (Previous year ₹ 32,571 million))	15,477	15,563
Freight and Forwarding Charges	24,283	17,816
Rent, rates and taxes	5,713	5,163
Insurance	1,857	1,875
Legal and professional fees	1,148	1,610
Repairs and maintenance	3,811	3,798
Debit balance / doubtful debts / doubtful receivables written off (net of provision)	23	12
Director's commission and remuneration (refer note 43)	233	214
Loss on disposal / discard of property, plant and equipment (net)	38	761
Corporate and social responsibility expense	2,403	1,852
Exchange differences (net)	4,111	2,134
Miscellaneous expenses	5,997	4,289
Total	71,549	61,604

* Net of ₹ 265 million (Previous year ₹ 349 million) asset development projects related expense capitalised (refer note 6).

35 Earnings per share

The following table reflects the profit and data on equity shares used in the basic and diluted EPS computations:

	Particulars		Year ended March 31, 2026	Year ended March 31, 2025
	Profit attributable to ordinary equity holders of the parent for basic & diluted earnings (₹ in million)	(A)	**90,272**	80,795
	Weighted average number of ordinary shares for basic and diluted EPS	(B)	**1,488,735,685**	1,490,561,155
	Nominal value of ordinary shares (₹)		**10/-**	10/-
	Basic and Diluted earnings per share (₹)	(A/B)	**60.64**	40.79

36 Contingent liabilities

(₹ in million)

	Particulars	As at March 31, 2026	As at March 31, 2025
(A)	**Claims against the Group not acknowledged as debts**		
(i)	Claims filed by creditors of an erstwhile subsidiary (Essar Oil & Gas Exploration & Production Limited). The Group reserves its right to claim the entire amount back from the said entity.	-	645
(ii)	Claims raised by third parties	**4,822**	9,560
(B)	**Claims for which the Group is contingently liable**		
(i)	In respect of income tax demands on various issues	**2,406**	2,197
(ii)	In respect of Sales tax / VAT on sale of SKO and LPG to Oil Marketing Companies which were ultimately sold through Public Distribution System (includes likely reimbursement from Oil Marketing Companies of ₹ 51,623 million (as at March 31, 2025: ₹ 48,944 million)).	**67,474**	64,024
(iii)	Other demands of Sales tax /VAT	**4,685**	3,642
(iv)	In respect of custom duty / excise duty / goods and service tax/ service tax mainly relating to classification of products sold, allowability of cenvat credit and input tax credit.	**15,779**	13,634
(v)	The Reserve Bank of India (RBI) levied a penalty on the Company for delay in the allotment of equity against advances for Global Depositary Shares (GDS). The Company contested the penalty and appealed to the RBI Governor which was rejected. The Company has challenged the same before the Bombay High Court through a writ petition. In the meanwhile, the Enforcement Directorate initiated and closed an investigation in the matter and the order is awaited. The management is of the opinion that it should get relief and at most be liable for a sum of ₹ 49 million only (Previous year ₹49 million) for which necessary provision has been made in these financial statements.	**2,363**	2,412
	Third party claims where the possibility of outflow of resources embodying economic benefits is remote, and includes show cause notices which have not yet converted to regulatory demands, have not been disclosed as contingent liabilities.		

(Note: Including interest and penalty wherever applicable)

37 Capital and other commitments

(₹ in million)

	Particulars	As at March 31, 2026	As at March 31, 2025
(A)	**Capital commitments :**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**19,259**	38,978

(B) Other commitments

In accordance with the regulatory guidelines issued by the Ministry of Petroleum & Natural Gas, the Group is required to establish retail outlets in remote service areas (RSA) in proportion to its overall network. The Group has complied with the requirement of commissioning 370 RSA outlets by April 30, 2025, having set up 373 outlets as at that date. Further, pursuant to ongoing regulatory discussions, the Group has submitted a revised marketing plan for the period May 2025 to May 2028 covering 700 retail outlets, including 35 RSA outlets, under which 252 outlets (including 8 RSA outlets) have been commissioned up to March 31, 2026. The Group has furnished bank guarantees aggregating to ₹3,180 million as at the reporting date (March 31, 2025: ₹1,350 million) in connection with this obligation.

38 Leases

Group as a lessee

The Group has lease contracts for various items of land, plant & machinery, building, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 1 and 10 years, leases of land generally have lease terms between 5 and 30 years, while building and vehicles generally have lease terms between 1 and 10 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some lease contracts include extension, termination options and variable lease payments.

The Group also has certain leases with lease terms of 12 months or less and leases of low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the details of right-of-use assets, lease liabilities and amounts recognised in the statement of profit and loss.

(₹ in million)

Particulars	As at March 31, 2026			
	Right - of - use assets	Lease liabilities	Charged to Profit & loss Account	Impact on statement of Cash flows
Long Term Leases				
As at April 01,2025	13,623	17,160	-	-
Additions	4,721	4,721	-	-
Deletion/discarded/Retirement	(236)	(391)	(155)	-
Depreciation / amortisation expense	(2,179)	-	2,179	-
Interest accruals	-	1,680	1,680	-
Payments	-	(4,037)	-	-
As at March 31, 2026	**15,929**	**19,133**	**3,704**	**-**
Current lease liabilities	-	1,737	-	-
Non-current lease liabilities	-	17,396	-	-
Cash flow - Lease payments				
- Towards Principal	-	-	-	(2,360)
- Towards Interest	-	-	-	(1,677)
Total	**-**	**-**	**-**	**(4,037)**
Other Leases (included in other expenses)				
Short term leases	-	-	4,803	-
Low value leases	-	-	207	-
Variable leases	-	-	10,106	-
Total	**-**	**-**	**15,116**	**-**
As at March 31, 2026	**15,929**	**19,133**	**18,820**	**(4,037)**

(₹ in million)

Particulars	As at March 31, 2025			
	Right - of - use assets	Lease liabilities	Charged to Profit & loss Account	Impact on statement of Cash flows
Long Term Leases				
As at April 01,2024	13,919	17,104	-	-
Additions	1,969	1,969	-	-
Deletion/discarded/Retirement	(356)	(498)	(142)	-
Depreciation / amortisation expense	(1,909)	-	1,909	-
Interest accruals	-	1,584	1,584	-
Payments	-	(2,999)	-	-
As at March 31, 2025	**13,623**	**17,160**	**3,351**	**-**
Current lease liabilities	-	1,376	-	-
Non-current lease liabilities	-	15,784	-	-
Cash flow - Lease payments				
- Towards Principal	-	-	-	(1,417)
- Towards Interest	-	-	-	(1,582)
Total	**-**	**-**	**-**	**(2,999)**
Other Leases (included in other expenses)				
Short term leases	-	-	2,883	-
Low value leases	-	-	228	-
Variable leases	-	-	8,940	-
Total	**-**	**-**	**12,051**	**-**
As at March 31, 2025	**13,623**	**17,160**	**15,402**	**(2,999)**

For maturity analysis of lease liabilities, refer note (refer note 41(B)(iv))

39 Segment information

Identification of Segments:

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Management Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108, Operating Segments), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

According to the management, the Group with all its subsidiaries are engaged in the single business of refining of crude oil and marketing of petroleum products in domestic and overseas market (refining business). The management believes that activities such as operation of crude oil terminal, power plant etc., are supporting the refining business. Hence, the management views operations of the entire Group as one activity for measuring performance. Basis this, the management has decided that the entire Group is a single segment entity.

Information about major customers:

One customer in the Refining and Marketing segment contributed revenues (including excise duty) aggregating to ₹ 211,123 million, (for the year ended March 31, 2025 One customer in the Refining and Marketing segment contributed revenues (including excise duty) aggregating to ₹ 225,834 million).

No other customer contributed 10% or more, to the total revenue for both the year ended March 31, 2026 and March 31, 2025.

Information about product and services

The Group sells only petroleum products hence product wise disclosure is not applicable.

Geographical Information:

(₹ In million)

Revenue from operations	Year ended March 31, 2026	Year ended March 31, 2025
Within India (i)	**1,206,107**	1,122,249
Outside India (ii)	**259,911**	369,925
Grand Total (i) + (ii)	**1,466,018**	1,492,174

The revenue information above is based on the delivery locations of the customers.

Non current assets (excluding financial assets, deferred tax assets and non current tax assets)	As at March 31, 2026	As at March 31, 2025
Within India	**613,918**	599,323
Outside India	**222**	61

40 Capital Management

The primary objective of the Group's capital management is to maximise the shareholder value while safeguarding its ability to continue as a going concern.
The Group monitors its capital using gearing ratio, which is net debt divided to equity and net debt. Bank loans are availed by the Group are subject to certain financial and other covenants as per the terms of the and the loan agreements and the Group is compliant with these covenants on the reporting date except to the extent stated in note 44. As per the existing repayment schedule, there is no outstanding default on the repayment of loans (including interest thereon) as at March 31, 2026.

The Group monitors its capital using gearing ratio, which is net debt divided to equity and underlying net debt.

The amounts managed as capital by the Group for the reporting periods under review and gearing ratio are summarized as follows:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Long term borrowings (refer note 21)	-	80,717
Short term borrowings (refer note 24)	103,892	45,304
Upfront fees	598	680
Total debt	**104,490**	126,701
Less : Cash and cash equivalents (refer note 14)	(9,868)	(21,719)
Less : Bank balances (excluding earmarked bank balances) (refer note 15)	(54,368)	(42,532)
Less : Bank and margin deposits classified under other financial assets (current) (refer note 17)	(38,530)	(21,039)
Less : Bank and margin deposits classified under other financial assets (non-current) (refer note 9)	(396)	(381)
Less : Investments (current) (refer note 12)	-	(9,679)
Total cash and bank balances	**(103,162)**	(95,350)
Net debt (a)	**1,328**	31,351
Equity share capital (refer note 19)	15,050	15,072
Other equity (refer note 20)	576,244	485,030
Total equity (b)	**591,294**	500,102
Equity and net debt (c) = (a + b)	**592,622**	531,453
Gearing ratio (d) = (a / c)	0.22%	5.90%

41 Financial Instruments

(A) Categories of financial instruments and level-wise disclosure of fair value for financial instruments requiring fair value measurement

Given below is the category wise carrying amount of Group's financial instruments:

As at March 31, 2026 :

(₹ in million)

Particulars	Note	Fair value measurement Hierarchy level	Fair value through profit or loss	Fair value through OCI - designated as cash flow hedge	Amortised Cost	Total Carrying value	Total fair value
Financial Assets							
Loans*			-	-	788	788	788
Trade receivables*	6		-	-	188,272	188,272	188,272
Cash and cash equivalent*			-	-	9,868	9,868	9,868
Bank balances other than cash and cash equivalent*			-	-	56,184	56,184	56,184
Derivatives contracts - assets		Level II					
-Currency swap	2		-	20	-	20	20
Other financial assets*			-	-	44,089	44,089	44,089
Total			**-**	**20**	**299,201**	**299,221**	**299,221**
Financial Liabilities							
Long-term borrowings#	3		-	4,543	76,468	81,011	81,011
Short-term borrowings*			-	-	22,881	22,881	22,881
Trade payables*	4, 6	Level II	-	-	231,536	231,536	231,536
Derivatives contracts - liabilities		Level II					
-Currency swap	2		21	92	-	113	113
Other financial liabilities*@		Level II	-	-	23,986	23,986	23,986
Total			**21**	**4,635**	**354,871**	**359,527**	**359,527**

As at March 31, 2025 (₹ in million)

Particulars	Note	Fair value measurement Hierarchy level	Fair value through profit or loss	Fair value through OCI - designated as cash flow hedge	Amortised Cost	Total Carrying value	Total fair value
Financial Assets							
Current investment	1	Level II	9,579	-	-	9,579	9,579
Loans*			-	-	838	838	838
Trade receivables*			-	-	42,129	42,129	42,129
Cash and cash equivalent*			-	-	21,719	21,719	21,719
Bank balances other than cash and cash equivalent*			-	-	42,969	42,969	42,969
Derivatives contracts - assets		Level II					
-Foreign currency forward exchange	2		154	-	-	154	154
-Commodity derivative	2		-	998	-	998	998
-Currency swap	2		15	36	-	51	51
-Option	2		11	-	-	11	11
Other financial assets*			-	-	26,809	26,809	26,809
Total			**9,759**	**1,034**	**134,464**	**145,257**	**145,257**
Financial Liabilities							
Long-term borrowings#	3	Level II	-	4,587	84,356	88,943	81,011
Short-term borrowings*		Level II	-	15,147	21,931	37,078	37,078
Trade payables*	4	Level II	-	42,444	28,673	71,117	71,117
Derivatives contracts - liabilities		Level II					
-Foreign currency forward exchange	2		13	-	-	13	13
-Commodity derivative	2		-	1,632	-	1,632	1,632
Other financial liabilities*@	5	Level II	-	21,226	17,537	38,763	38,763
Total			**13**	**85,036**	**152,497**	**237,546**	**229,614**

including current maturities of long-term borrowings.

* For assets and liabilities carried at amortised cost, the management has assessed that the fair value of these financial assets and liabilities approximate their carrying amounts determined as per amortised cost due to the short term maturities of these instruments.

@Physical commodity contracts, readily convertible into cash and designated as at FVTPL for mitigating accounting mismatch, are treated as financial instrument. Unless designated as hedging instruments, such contracts are measured at fair value and associated gains and losses are recognised in the consolidated statement of profit and loss.

Notes:

1. Net asset value declared by mutual fund.

2. Foreign exchange forward / option contracts and commodity forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

3. Long-term fixed-rate and variable-rate borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, credit risk and the risk characteristics of the financed project. The fair value is determined using the discounted cash flow method. The future cash flows are based on terms of the borrowing. These cash flows are discounted at a rate that reflects current market rate and the current market risk.

4. Trade payable includes payables designated as cash flow hedge against the highly probable future forecast sales, at the spot rate as on the date of designation and are revalued at exchange rate prevailing as at reporting date.

5. Other financial liabilities included advance received from export customers. These Long-term advances are evaluated based on parameters such as interest rates, specific country risk factors, credit risk and other relevant risk characteristics of the advance. The fair value is determined using the discounted cash flow method. The future cash flows are based on terms of the advance. These cash flows are discounted at a rate that reflects current market rate and the current market risk. Also, being foreign currency, amounts are restated at the closing rate.

6. Trade receivables and trade payables include ₹ 146,562 million (previous year : Nil), which the Group intends to set off subject to relevant approvals.

(B) Financial risk management objectives

The Group's activities expose it to market risk, credit risk, interest rate risk and liquidity risk. Within the boundaries of approved Risk Management Policy framework, the Group uses derivative instruments to manage the volatility of financial markets and minimise the adverse impact on its financial performance.

i) Commodity price risk

The Group's revenues, costs, and inventories are exposed to fluctuations in international crude oil and refined product prices. To manage this price risk, the Group uses commodity derivative instruments such as futures, swaps, and options to hedge forecasted crude oil purchases and product sales.

A dedicated risk management desk oversees these hedging activities, monitoring open positions daily to ensure compliance with the Group's approved risk management policies and to reduce the impact of market volatility on profitability.

Category wise break-up of commodity derivative contracts entered into by the Group and outstanding as at balance sheet date:

Particulars	Qty. in Barrels ('000)		Fair value of assets/(liabilities) (₹ in million)	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Designated as cash flow hedges				
Petroleum products				
Buy Positions				
Less than 1 year	-	8,400	-	724
Sell Positions				
Less than 1 year	-	(5,720)	-	(1,358)
Total	**-**	**2,680**	**-**	**(634)**

The line items in the balance sheet that include the above hedging instruments are other financial assets and other financial liabilities.

Debit balance in cash flow hedge reserve of Nil as at March 31, 2026 (debit balance of ₹ 634 million as at March 31, 2025) on commodity derivative (gross of tax) contracts have been recognised in other comprehensive income.

There are no hedge ineffectiveness on commodity derivative contracts during the reporting periods.

The following table details sensitivity to a 5% increase in the price of respective commodity. A positive number below indicates an increase in equity or profit and negative number would be an inverse impact on equity or profit.

(₹ in million)

Particulars	Impact on Equity (net of taxes)		Impact on Profit (net of taxes)	
	As at March 31, 2026	As at March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Petroleum products				
Buy Positions				
Less than 1 year	-	727	-	-
Sell Positions				
Less than 1 year	-	(1,282)	-	-
Total	**-**	**(555)**	**-**	**-**

ii) Foreign currency risk management:

The Group undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed as per advice of Risk Management Committee (RMC) within approved policy parameters.

a) Given below are the details of the carrying amounts of the Group's monetary assets/liabilities denominated in different foreign currencies (FC), details of hedge, unhedged currency risk position and sensitivity to a 5% increase in foreign currency rates.

As at March 31, 2026

Currency	Carrying value	Forward and option contracts @	Cash flow hedge #	Unhedged Exposure	Unhedged Exposure	Sensitivity to 5% change **	
						Impact on Profit (net of taxes)	Impact on Equity (net of taxes)
	FC in million	FC in million	FC in million	FC in million	₹ in million	₹ in million	₹ in million
Assets							
USD	1,725	-	-	1,725	163,281	6,109	-
EURO	1	-	-	1	122	5	-
Other Currencies	-	-	-	-	-	-	-
Total					163,403	6,114	-
Liabilities*							
USD	2,412	-	(48)	2,364	223,792	(8,373)	(170)
EURO	10	-	-	10	1,105	(41)	-
Other Currencies	4	-	-	4	24	(1)	-
Total					224,921	(8,415)	(170)

As at March 31, 2025

Currency	Carrying value	Forward Contracts @	Cash flow hedge #	Unhedged Exposure	Unhedged Exposure	Sensitivity to 5% change **	
						Impact on Profit (net of taxes)	Impact on Equity (net of taxes)
	FC in million	FC in million	FC in million	FC in million	₹ in million	₹ in million	₹ in million
Assets							
USD	353	(176)	-	187	16,009	599	-
EURO	0	-	-	0	35	1	-
Other Currencies	1	-	-	1	2	0	-
Total					16,046	600	-
Liabilities*							
USD	1,459	(32)	(943)	484	41,427	(1,550)	(3,020)
EURO	10	-	-	10	933	(35)	-
Other Currencies	2	-	-	2	3	(0)	-
Total					42,363	(1,585)	(3,020)

Notes:

* includes borrowings in foreign currency USD 103 million (₹ 9,715 million) {(Previous year USD 501 million (₹ 42,879 million)}.

@ The Group has entered into foreign exchange forward and option contracts with the intention of reducing the foreign exchange risk of recognised assets and liabilities. These foreign exchange forward and option contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

The management has designated certain financial liabilities in foreign currency as cash flow hedges against highly probable future forecast sales. Such designation help the Group to reduce/ mitigate foreign exchange risk of related liabilities and highly probable sales as gain/ loss on restatement of liabilities is recognised in other comprehensive income. There are no significant hedge ineffectiveness on the these designated liabilities during the reporting periods.

** A positive number above indicates an increase in profit or equity and negative number would be an inverse impact on profit or equity.

b) Outstanding foreign currency forward exchange and option contracts

The Group has entered into foreign exchange forward and option contracts with the intention of reducing the foreign exchange risk of recognised assets and liabilities. These foreign exchange forward and option contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Not designated in hedging relationship

Particulars	Notional amounts (in Foreign Currency million)		Fair value of assets/(liabilities) (₹ in million)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Forward Contracts:				
Buy US$				
Less than 3 months	-	32	-	(13)
Sell US$				
Less than 3 months	-	144	-	154
Options:				
Buy Put / Sell Call US$				
Less than 3 months	-	32	-	11

c) Currency swap contracts

The Group has also entered into currency swap contracts to cover the currency risk on forecasted sales. The following table details the currency swap contracts outstanding at the end of the reporting period:

Designated as cash flow hedges

USD / INR currency swaps	Notional amounts (in USD million)	
	As at March 31, 2026	As at March 31, 2025
Less than 1 year	-	-
1 year to 2 years	-	-
2 years to 5 years	10	20
Total	**10**	20
Fair value of assets / (liabilities) (net) (₹ in million)	**(93)**	51

The line items in the balance sheet that include the above hedging instruments are other financial assets and other financial liabilities.

Credit balance in cash flow hedge reserve of ₹ 73 million as at March 31, 2026 (credit balance of ₹ 35 million as at March 31, 2025) (Gross of tax) on currency swap contracts have been recognised in other comprehensive income.

There are no hedge ineffectiveness on currency swap contracts during the reporting periods.

Sensitivity to a 5% increase in foreign currency rate is ₹ 39 million (Previous year ₹ 72 million) (net of tax). A positive number indicates a decrease in equity and negative number would be an inverse impact on equity.

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The borrowings of the Group are denominated in rupees and US dollars with a mix of floating and fixed interest rate. The Group has exposure to interest rate risk, arising principally on changes in base lending rates and SOFR rates. Hedging activities are evaluated regularly to align with interest rate views and define risk appetite, ensuring that the most cost effective hedging strategies are applied.

The following table provides a breakdown of the Group's fixed and floating rate liabilities:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed rate borrowings *	**17,423**	72,554
Floating rate borrowings	**87,067**	54,147
Lease liabilities (refer note 38)	**19,133**	17,160
Export advances having original maturities for more than 1 year (current and non-current portion) (refer note 22 and 26)	**-**	21,226
Total	**123,623**	165,087
Less: Upfront fee	**(598)**	(680)
Total	**123,025**	164,407

* Includes borrowings of ₹ 13,923 million (₹ 33,100 million as at March 31, 2025) raised for Petrochemical project, for which floating rate shall apply after perfection of security for project lenders.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's, profit for the year ended March 31, 2026 would decrease / increase by ₹ 326 million (Previous year ₹ 282 million) (net of tax). This is mainly attributable to the Group's exposure to interest rates on its variable rate liabilities.

iv) Liquidity Risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The following tables detail the Group's remaining contractual maturity for its derivative and non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rates existing at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments.

(₹ in million)

As at March 31, 2026 :	< 1 Year	1 > 5 Years	> 5 Years	Total
Long term Borrowings # **	12,281	54,079	54,986	121,346
Short term Borrowings #	23,629	-	-	23,629
Trade payables	231,536	-	-	231,536
Lease Liabilities #	3,380	10,078	23,620	37,078
Other financial liabilities	23,066	920	-	23,986
Derivatives	-	113	-	113
Total	**293,892**	**65,190**	**78,606**	**437,688**

(₹ in million)

As at March 31, 2025 :	< 1 Year	1 > 5 Years	> 5 Years	Total
Long term Borrowings #	16,156	54,912	68,920	139,990
Short term Borrowings #	37,199	-	-	37,199
Trade payables	71,117	-	-	71,117
Lease Liabilities #	2,813	8,742	22,966	34,521
Other financial liabilities including export advance #	38,416	849	-	39,267
Derivatives	1,645	1	-	1,646
Total	**167,350**	**64,504**	**91,886**	**323,740**

including future interest

** For reasons stated in note 44, these loans have been classified as current, in the financial statements.

The Group has undrawn committed facilities as at March 31, 2026 of ₹ 142,494 million (₹ 90,953 million as at March 31, 2025) with maturities ranging from one to two years.

v) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Group's credit risk arises principally from the trade receivables, investments, cash & bank balances and derivatives.

Trade receivables:

The Group manages customer credit risk centrally through defined policies and credit assessments, with approved credit limits. Credit risk is partly mitigated through letters of credit and bank guarantees. Trade receivables are spread across a large, diverse customer base with no significant concentration risk and are closely monitored for timely collection.

Sales credit terms range from 0 to 30 days. Expected credit losses are measured using a provision matrix based on historical experience and forward-looking information. The history of trade receivables shows a negligible allowance for bad and doubtful debts. Refer note 13A for ageing of trade receivable.

Trade receivables have been given as collateral towards borrowings (refer note 21 and 24). Expected credit losses are provided based on the credit risk of the counterparties (refer note 13).

Investments, cash and bank balances and derivatives

The Group's treasury function manages the financial risks related to the business. The Treasury function focuses on capital protection, liquidity and yield maximisation. Investment of surplus funds are made in reputed mutual funds and bank deposits. Counterparty credit limits are reviewed and approved by Board/Audit Committee of the Company. These limits are set to minimise the concentration of risks and therefore mitigates the financial loss through counterparty's potential failure to make payments. Expected credit losses are provided based on the credit risk of the counterparties.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. Further, commodity derivative contracts are entered only with international over the counterparties having high credit rating and thus the risk of default is minimised.

Movement in the expected credit loss allowance (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**2,292**	3,630
Addition in Expected credit loss recognised	**597**	109
Reversal in Expected credit loss recognised	**(732)**	(1,447)
Balance at the end of the year	**2,157**	2,292

The Group's maximum exposure to the credit risk for the components of the balance sheet as at March 31, 2026 and March 31, 2025 is the carrying amounts mentioned in note 9, note 13 and note 17.

42 Defined benefit / contribution plans

1) Defined benefit plans :

(i) Gratuity Plan

In accordance with the Social Security Code 2020, the Group contributes to a defined benefit plan (the "Gratuity Plan") for employees are entitled to gratuity. 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 Group. The Gratuity plan is a fully funded plan and the Group makes contribution to LIC of India / SBI Life Insurance in India.

(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)	
		As at March 31, 2026	As at March 31, 2025
A	**Net assets / liability**		
i	Present value of defined benefit obligation (DBO)	2,112	1,510
ii	Fair value of plan assets	1,359	1,202
iii	Funded status - deficit (iii = ii-i)	(753)	(308)
iv	Net assets / (liability)	(753)	(308)
B	**Expenses for the year**		
i	Service Cost *	664	97
ii	Net Interest cost	25	14
	Components of defined benefit costs for Profit and loss	689	111
i	Actuarial (gains) / losses- experience	(10)	37
ii	Actuarial losses/(gains) - assumptions	(80)	58
iii	Return on plan assets greater than discount rate	(8)	(0)
	Components of defined benefit costs for Other Comprehensive Income	(98)	94
	Total expenses	591	205
C	**Change in obligation and assets**		
i	**Change in defined benefit obligation**		
a	Defined benefit obligation at beginning of the year	1,510	1,330
b	Current Service cost	118	97
c	Interest cost	106	80
d	Past service cost - plan amendments	546	-
e	Actuarial losses - experience	(10)	37
f	Actuarial losses/(gains) - financial assumptions	(80)	58
g	Benefit payments	(78)	(101)
h	Defined Benefit obligation at the end of the year	2,112	1,510
ii	**Change in fair value of assets**		
a	Fair value of plan assets at the beginning of the year	1,202	1,044
b	Interest income on plan assets	81	76
c	Employer's contribution	146	183
d	Return on plan assets greater than discount rate	8	0
e	Benefits payments	(78)	(101)
f	Fair value of plan assets at the end of the year	1,359	1,202

* Includes past service cost of ₹ 545 million (Previous year : Nil)

Sr. No.	Particulars	Gratuity (Funded)	
		As at March 31, 2026	As at March 31, 2025
D	**Actuarial assumptions**		
1	Discount rate (per annum)	7.00%	6.50%
2	Rate of salary increase	9.00%	9.00%
3	Withdrawal Rate	6.00%	6.00%
4	Mortality	Indian Assured Lives Mortality (2006-08) Ult. Modified	
E	**Percentage of each category of plan assets to total fair value of plan assets**		
	Administered by Life Insurance Corporation of India / State Bank Of India #	100.00%	100%
F	**Employer's best estimate of contributions expected to be paid to the plan during the annual period beginning after the balance sheet date.**	211	124

Plan assets comprises scheme of insurance - conventional products.

Notes:

Weighted average duration of the defined benefit obligation is 9 years as at March 31, 2026 (8 years as at March 31, 2025).

These plans typically expose the Company to actuarial risks such as: interest rate risk, salary risk and demographic risk.

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

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

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

The defined benefit obligations shall mature as follows:

(₹ in million)

Particulars	Gratuity(Funded)
	March 31, 2026
As at March 31	
2027	211
2028	217
2029	245
2030	226
2031	235
March 31, 2032 to March 31, 2036	1,270

Particulars	Gratuity(Funded)
	March 31, 2025
As at March 31	
2026	124
2027	157
2028	140
2029	174
2030	161
March 31, 2031 to March 31, 2035	917

Sensitivity Analysis:

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

Sr. No.	Particulars	Gratuity(Funded)	
		As at March 31, 2026	As at March 31, 2025
		Increase/(decrease) in DBO	
	Defined benefit obligation	2,112	1,510
A)	**Discount Rate**		
	Discount rate	7.00%	6.50%
	1. Effect on DBO due to 0.5% increase in Discount Rate	(75)	(58)
	2. Effect on DBO due to 0.5% decrease in Discount Rate	80	62
B)	**Salary Escalation Rate :**		
	Salary Escalation rate	9.00%	9.00%
	1. Effect on DBO due to 0.5% increase in Salary Escalation Rate	24	28
	2. Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(25)	(29)
C)	**Withdrawal Rate :**		
	Attrition rate	6.00%	6.00%
	1. Effect on DBO due to 5.00% increase in Withdrawal Rate	133	10
	2. Effect on DBO due to 5.00% decrease in Withdrawal Rate	(257)	(32)

2) **Defined Contribution plans :**

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

Group's contribution to provident fund, superannuation fund and pension fund aggregating to ₹ 384, ₹ 30 million and ₹ 253 million (Previous year ₹ 173 million, ₹ 68 million and ₹ 189 million) respectively are recognised in the statement of profit and loss as and when the contributions are due. There is no obligation other than the contribution payable to the respective trusts.

3) The four Labour Codes (Code on Wages, Industrial Relations Code, Code on Social Security, and Occupational Safety, Health and Working Conditions Code) came into force through central government notifications dated November 21, 2025.

Certain state specific laws under these codes are yet to be framed. The Group has made an assessment of the likely effects of these codes, to the extent the same have either been notified or are available in draft form, and has provided for additional employee benefit expenses of ₹ 1,301 million in these financial statements.

43 Related party disclosures

I. Names of related parties and description of relationship:

Enterprises having significant influence

Rosneft Group comprises Rosneft Oil Company and its controlled entities
UCP Group comprises UCP PE Investments Limited and entities under common control
Mareterra Group comprises Mareterra Group Holding S.A.R.L. and its controlled entities

Other related party Nayara Energy Limited Employees Provident Fund (upto October 01, 2024)

(₹ in million)

A. Transaction with related parties		
Nature of transactions	**FY 2025-26**	FY 2024-25
i) Key management personnel (Short term employee benefits)@	**286**	327
@including employer contribution to provident fund and exclusive of provisions for liability in respect of compensated absences and gratuity, since this is based on actuarial valuation done on an overall basis for all employees.		
ii) Key management personnel (Director Sitting Fees)	**18**	22
iii) Key management personnel (Commission and Remuneration to Directors)	**233**	214
iv) Contribution during the period (includes Employees' share and contribution) to the controlled trust	**-**	439

(₹ in million)

B. Balances with related parties		
Nature of balances	**Enterprises having significant influence**	
	As at March 31, 2026	As at March 31, 2025
Liabilities		
Financial liabilities		
Trade payables (refer note (i) below)		
Rosneft Group	**976**	826

(₹ in million)

C. Balances with other classes of related parties		
Particulars	**As at March 31, 2026**	As at March 31, 2025
Commission and Remuneration payables to key management personnel	**174**	214

Notes:

(i) Terms of trade payables:
Trade payables are to be settled as per mutually agreed terms between the parties.

44 The European Union and the United Kingdom had imposed sanctions on the Group in July 2025 and October 2025 respectively. United States imposed additional sanctions on some large producers of Russian crude oil including Rosneft PJSC (a 49.20% shareholder in the Group) effective November 21, 2025. In April 2026, the European Union had imposed sanctions on UCP PE Investments Limited an entity holding 49% Shares of Kesani Enterprises Company Limited (a 49.20% shareholder in the Group).

While the sanctions have resulted in operational challenges, the Group has been able to continue to procure crude oil and essential services to ensure uninterrupted operations of its refinery and its business continues to generate profits and it has sound financial position to be able to meet its obligations.

Management has also evaluated the financial effects of the sanctions and noted that as per the terms of the financing arrangements the lenders have a right to accelerate the maturity of the loans and hence the long-term loans, which are contractually due post March 31, 2027 have also been classified as current liabilities. The aforementioned events have not accentuated any action from any of the lenders till date and the Group is in regular engagement with them.

The management believes that the Group continues and will continue to operate as a going concern and there is no additional material impact on these financial statements.

45 **Impairment testing of Goodwill**

The Group recognised goodwill of ₹ 108,184 million arising on the merger of Vadinar Power Company Limited (VPCL), Nayara Energy Properties Limited (NEPL), and Vadinar Oil Terminal Limited (VOTL) with the Company. The Company has determined that its entire operations fall into single CGU and single operating segment, viz., refining of crude oil and marketing of petroleum and petrochemical products in domestic and overseas market (refining business). Hence, the entire goodwill is allocable to the refining business CGU, and the carrying value of the CGU as at the balance sheet date is ₹ 595,007 million [March 31, 2025: ₹ 582,224 million].

The Group performed its annual impairment as on March 31, 2026.

The recoverable amount of the CGU has been determined at ₹ 8,27,089 (US$ 8,738) million [March 31, 2025: ₹ 9,35,274 (US$ 10,701)] million] based on the value in use calculation using discounted cash flow model (refer note 4(ii)) based on business assumptions approved by management covering a five-year period and is in line with the business plan presented to the Board. The company has considered the current geopolitical situation in West Asia, effects of the sanctions on the company, forecast consensus, industry reports, economic indicators, general business conditions etc. while computing the recoverable value. The Group has performed sensitivity analysis on the assumptions based on the internal and external information / indicators of future economic conditions. Since the value in use is higher than the carrying amount of the refining business CGU, the Group has not determined the fair value less costs of disposal separately.

Key assumptions used for value in use calculations

The calculation of value in use for the unit is most sensitive to the following assumptions:

Gross Margin

The Gross Margin projections, which is a difference between total product revenue and total feedstock cost for the year, are broadly in line with the 5-year business plan of the CGU. The gross margins comprises of refinery margins of US$ 6.6 per bbl to US$ 10.0 per bbl and retail margins of ₹5,731 / KL to ₹ 5,735 / KL, during FY 2026-27 to FY 2030-31 thereafter they increase at a nominal rate of 2% per annum post the 5-year period.

Discount rates

Discount rates - Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. Accordingly, the Group has estimated a discount rate of 10.84% (previous year 10.71%).

Management has assessed that any reasonable possible change in the above key assumptions will not lead to the recoverable amount being lower than the carrying amount of the CGU.

46 Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as subsidiaries

Name of Entity	FY 2025-26							
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated other comprehensive income	₹ in million	As % of total comprehensive income	₹ in million
Parent:								
Nayara Energy Limited	100.21%	592,543	100.82%	91,010	94.12%	2,384	100.63%	93,394
Subsidiaries:-								
Indian								
Coviva Energy Terminals Limited	-0.32%	(1,918)	-0.84%	(762)	0.00%	-	-0.82%	(762)
Foreign								
Nayara Energy Singapore Pte. Limited	0.12%	721	0.14%	126	2.42%	61	0.20%	187
Nayara Energy Overseas Holding LLP	0.00%	(16)	-0.02%	(15)	-0.04%	(1)	-0.02%	(16)
Inter Group Elimination and Consolidation Adjustments	-0.01%	(36)	-0.10%	(87)	3.50%	89	0.00%	2
Grand Total	100.00%	591,294	100.00%	90,272	100.00%	2,533	100.00%	92,805

Name of Entity	FY 2024-25							
	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated other comprehensive income	₹ in million	As % of total comprehensive income	₹ in million
Parent:								
Nayara Energy Limited	100.13%	500,762	99.70%	60,613	101.86%	4,479	99.85%	65,092
Subsidiaries:-								
Indian								
Coviva Energy Terminals Limited	-0.23%	(1,157)	-0.26%	(161)	0.00%	-	-0.25%	(161)
Foreign								
Nayara Energy Singapore Pte. Limited	0.11%	534	0.42%	257	0.17%	8	0.41%	265
Intergroup Elimination and Consolidation Adjustments	-0.01%	(37)	0.14%	86	-2.04%	(90)	-0.01%	(4)
Grand Total	100.00%	500,102	100.00%	60,795	100.00%	4,397	100.00%	65,192

Note:

"0.00%" represents % less than 0.005%.

47 The Holding Company and the Subsidiary Company which is incorporated in India i.e. Coviva Energy Terminal Limited, whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the Holding Company and above referred Subsidiary Company did not have any instance of audit trail feature being tampered with. Additionally for the Holding Company and above referred Subsidiary Company, the audit trail of prior year has been preserved as per the statutory requirements for record retention.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E/E300005

Naman Agarwal
Digitally signed by Naman Agarwal
DN: cn=Naman Agarwal, c=IN, o=Personal
Date: 2026.05.26 22:09:33 +05'30'

per Naman Agarwal
Partner
Membership No. 502405
Mumbai, May 26, 2026

For and on behalf of the Board of Directors of Nayara Energy Limited

PRASAD KRISHNA PANICKER
Digitally signed by PRASAD KRISHNA PANICKER
Date: 2026.05.26 19:25:47 +05'30'

Prasad K. Panicker
Executive Chairman
DIN : 06476857
Mumbai

DEEPESH BAXI
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Date: 2026.05.26 18:39:41 +05'30'

Deepesh Baxi
Chief Financial Officer

Mumbai

TEYMUR ABASGULIYEV

Teymur Abasguliyev
Chief Executive Officer

Mumbai

MAYANK BHARGAVA

Mayank Bhargava
Company Secretary
Membership No. A13927
Mumbai
May 26, 2026