BUILT ON TRUST.

BUILDING BRANDS WITH PURPOSE.

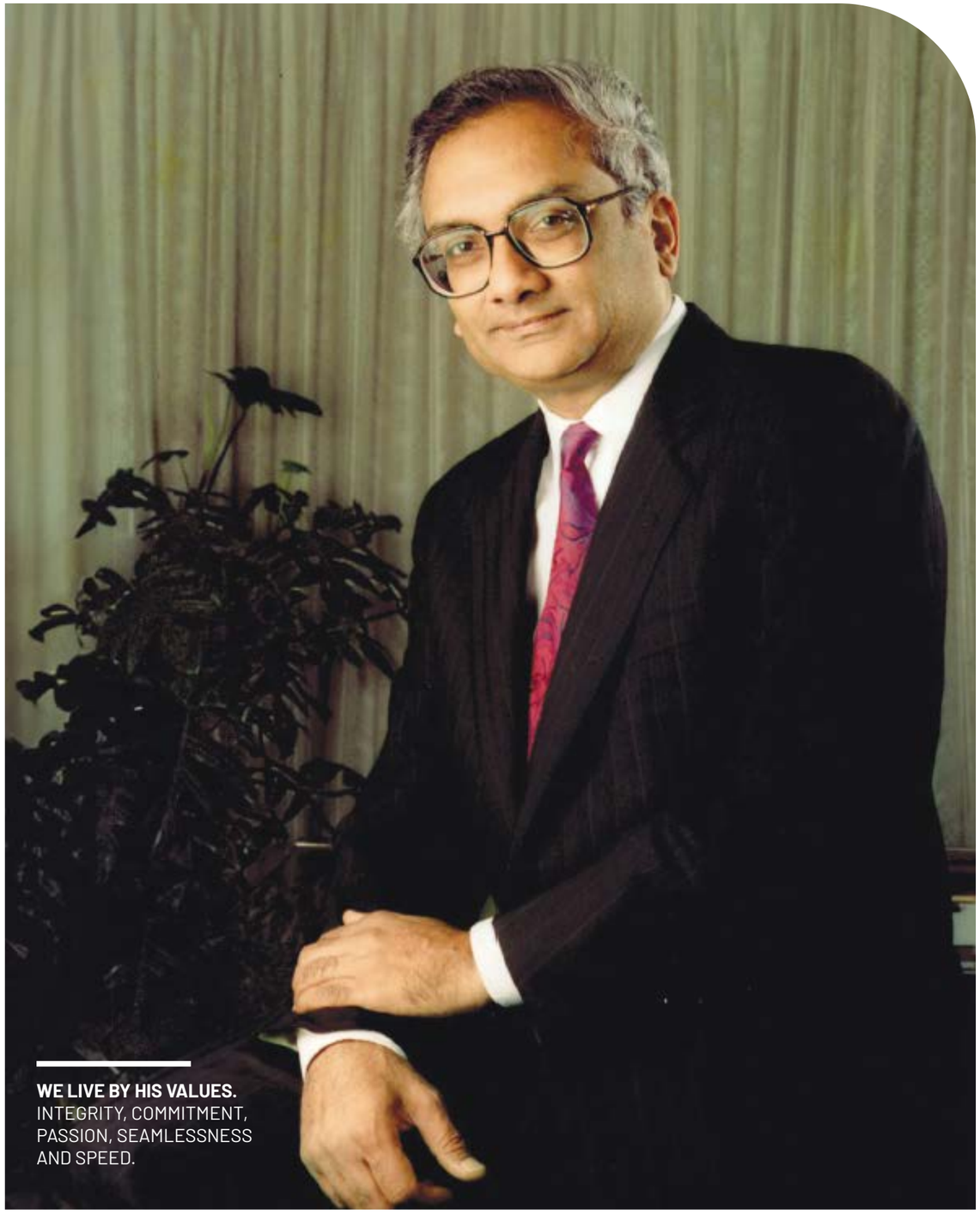
ADITYA BIRLA
FASHION & RETAIL

A FORCE FOR GOOD

ADITYA BIRLA FASHION AND RETAIL LIMITED
INTEGRATED ANNUAL REPORT 2025-26

OUR GROUP PURPOSE STATEMENT

To enrich lives, by building dynamic and responsible businesses and institutions, that inspire trust.



WE LIVE BY HIS VALUES.
INTEGRITY, COMMITMENT, PASSION, SEAMLESSNESS AND SPEED.

MR. ADITYA VIKRAM BIRLA

14TH NOVEMBER, 1943 - 1ST OCTOBER, 1995

CREATING VALUE FOR ALL

KUMAR MANGALAM BIRLA

CHAIRMAN OF THE ADITYA BIRLA GROUP

In a global landscape defined by volatility, geopolitical tension, and accelerating technological change, FY26 has been a milestone year for the Group. Our large manufacturing businesses have consolidated their leadership positions, our newer ventures are scaling with conviction, and our legacy consumer businesses are being reshaped for a new era of growth. Across this diverse portfolio, one force continues to anchor our progress— trust.

Trust is often viewed as an intangible asset. In reality, it is one of the most consequential forms of capital an institution can possess. In periods of uncertainty, markets can turn volatile and competitive advantages can erode. Trust, however, compounds. It enables organisations to make long-term investments when others hesitate, to navigate disruption with credibility, and to emerge stronger from periods of change.

For a group such as ours, trust extends far beyond the relationship between a company and its customers. It is reflected in the confidence of shareholders who support long-term value creation, the commitment of employees who choose to build their careers with us, the faith of partners and suppliers who invest alongside us, and the confidence of communities and governments that see us as a responsible participant in economic progress. Each of these constituencies grants an institution something invaluable: the licence to grow.

This is particularly relevant at a time when businesses are being asked to do more than deliver financial performance. They are expected to navigate technological disruption, manage increasingly complex supply chains, create meaningful employment, steward natural resources responsibly and contribute to social progress. Meeting these expectations requires more than scale or strategy. It requires credibility built over years and, in many cases, decades.

The strength of our portfolio today reflects the cumulative effect of that credibility. It has allowed us to invest through cycles, pursue transformation with confidence and attract talent, capital, and partnerships that strengthen our competitive position.

Global Economy in 2025

The global economy maintained its trajectory through 2025 despite elevated tariffs, policy uncertainty, and geopolitical tensions. The impact of tariff measures was less severe than projections had suggested, and growth across major economies remained broadly stable.

World trade expanded faster than anticipated in 2025, as demand for AI-driven capex offset the effects of trade policy uncertainty and higher tariffs. The volume of world merchandise trade grew by 4.6%, compared to a forecast of 2.4%. For the second consecutive year, Asian economies were the largest contributors to total world trade volume growth, accounting for 3.2 percentage points of the 4.6% total — or 71% of the overall increase.

Trade in 2025 was also supported by investment in AI infrastructure, demand in emerging markets, fiscal and monetary expansion in advanced economies, and

frontloading of imports in North America ahead of anticipated "reciprocal" tariffs from the United States. The outbreak of conflict in the Middle East on February 28, 2026, along with the partial closure of the Strait of Hormuz and damage to energy production facilities, introduced a supply shock to the global economy.

India in FY2025–26: Domestic Demand Carries the Economy Forward

Against a challenging global backdrop marked by US tariff escalations and mounting trade policy uncertainty, the Indian economy demonstrated remarkable resilience during FY26. Real GDP growth accelerated to 7.6 percent, up from 7.1 percent in FY25, cementing India's position as the fastest-growing major economy globally.

This performance was underpinned by robust domestic demand, low inflation, and a broad pro-growth reform agenda. On the demand side, private consumption grew 7.7% year-on-year, supported by income tax reductions and rationalisation of GST rates.

Economic activity was broad-based. On the supply side, manufacturing gained momentum, driven by the automobile and fast-moving consumer goods sectors. The services sector benefited from demand in retail trade, hospitality, transportation, and real estate. India also made progress in containing inflation, with the headline rate averaging 2% in FY26, down from 4.7% the previous year.

India's economic prospects for FY27 carry both opportunities and risks. Growth is projected at 6.6% by RBI, marginally revised down due to the effects of the Middle East conflict, which has pushed up global energy prices and disrupted shipping through the Strait of Hormuz. India nonetheless remains among the fastest-growing major economies globally.

Private consumption is expected to remain the primary driver of growth, though elevated global oil prices are likely to feed into domestic inflationary pressures. The GST rate reductions introduced in September 2025 are expected to partially offset this impact. Investment is projected to continue, supported by government capital expenditure, improved trade access through recently concluded free trade agreements, and a stable financial sector.

India's macroeconomic position, including foreign exchange reserves, a narrowing current account, and a path of fiscal consolidation, provides some buffer against external shocks. The pace of the renewable energy transition, the credibility of fiscal policy, and the implementation of newly concluded trade agreements will be factors that determine the trajectory of growth in the coming years.

Against a challenging global backdrop marked by US tariff escalations and mounting trade policy uncertainty, the Indian economy demonstrated remarkable resilience during FY26. Real GDP growth accelerated to 7.6 percent, up from 7.1 percent in FY25, cementing India's position as the fastest-growing major economy globally.

Aditya Birla Group: In our people we trust

At the Aditya Birla Group, trust is built through experience. It is earned in thousands of everyday interactions—when people are given opportunities to learn, when careers progress on merit, when leaders are accessible, when commitments are honoured, and when employees know they can depend on the organisation through moments that matter.

Over time, these experiences shape how people feel about the Group. They influence whether talented individuals choose to join us, whether they see a future with us, and whether they are willing to invest their energy and ambition here over the long term.

The progress we have made across talent, leadership, culture and employee experience during the year reflects this enduring focus.

Trust in Competence: Helping people succeed from day one

The employee experience begins long before an individual settles into a role. The quality of hiring, onboarding and early support often shapes how quickly people become effective and how confidently they navigate a new environment.

During the year, we onboarded more than 11,700 employees, including over 80 senior leaders, across businesses and functions. Structured hiring and onboarding processes, clear communication and timely feedback helped create a stronger experience for candidates and new joiners alike.

We also continued to simplify the day-to-day employee experience through technology. Mobile-first onboarding and AI-enabled platforms such as AVA, which recorded more than 700,000 interactions during the year, improved accessibility, and delivered greater consistency at scale.

Capability building remains central to long-term success. Employees are more likely to perform with confidence when they have access to the skills, knowledge and support required to succeed. Through Gyanodaya, our Global Centre for Leadership Training, and other business-led initiatives, we delivered more than 280 programmes, reaching over 8,500 employees across technical, functional, behavioural and leadership domains. Ninety-eight per cent of employees accessed digital or blended learning through the Gyanodaya Virtual Campus (GVC). In addition, an intense 3-month group-wide learning initiative, the 'Learning Fest', engaged more than 39,000 employees, a fourfold increase over the previous year.

Managers play a critical role in shaping this experience. Through coaching, feedback and day-to-day guidance, they influence how employees learn, grow and navigate their careers. We therefore continue to invest in strengthening leadership capability across the Group.

Trust in Growth: Building careers across the Group

The strength of an organisation is often reflected in the opportunities it creates for its people. During the year, more than 6,400 employees moved across roles, functions, businesses or geographies. This is, by all accounts, a very significant number. These movements reflect the scale and diversity of opportunities available across the Group and reinforce our promise of A World of Opportunities.

Internal mobility also provides an important measure of organisational confidence. Of the 6,400+ movements during the year, more than 470 were across businesses. At senior leadership levels, cross-business mobility accounted for 15% of movements, strengthening leadership depth across the portfolio. Nearly 69% of senior management roles were filled through internal hiring, reflecting the quality and readiness of leadership talent developed within the Group.

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These outcomes are supported by a disciplined approach to identifying and developing talent. 27% of employees form part of the Group Talent Pool. We have also built a strong pipeline of future leaders.

Our ability to attract high-quality talent continues to reflect the strength of our employer brand. Diversity hiring stood at 19% during the year, while retail businesses achieved 40% women hiring. Women's representation within the leadership cadre increased by 8%. Seventy-four per cent of new hires were below the age of 35, with Gen Z accounting for 39% of all new joiners.

The Group also received recognition across leading platforms including LinkedIn, the Top Employers Institute, Forbes and the Financial Times.

Trust in Care: Supporting people and families

The employee experience extends beyond the workplace. Health, wellbeing and support systems influence how people feel, perform and engage over the long term.

Through our health, wellbeing and insurance initiatives, we supported employees and their families in meaningful ways. During the year, more than 8,600 counselling sessions were availed by employees, while workmen and staff accessed a further 3,100+ sessions, reflecting growing awareness and acceptance of mental wellbeing support. In parallel, over 3,400 eligible employees underwent annual health check-ups, reinforcing our focus on preventive care.

These efforts are translating into measurable outcomes. Among Mumbai-based employees, the proportion of individuals in the high-risk category, in terms of health, declined from 21% to 10%, while the low-risk category increased from 48% to 56%.

Employee sentiment continues to reflect this strong foundation. In our Annual employee survey, Vibes 2026, 96% of employees expressed pride in being part of the Group, 90% said they would recommend us as a great place to work, and 93% reported that their business inspires them to do their best work every day.

Trust in Purpose: Extending impact beyond the workplace

Employees increasingly seek a sense of contribution that extends beyond their immediate roles. The Group's social initiatives provide opportunities to participate in that impact directly.

The AWOO Foundation reached its highest level of participation to date. During the year, 1,449 scholarships were awarded, the highest ever, supported by contributions from more than 56,100 employees, representing a 67% increase over the previous year. Perhaps the most telling figure lies beneath the headline numbers. Contributions from non-management employees increased by 293%, reflecting participation from colleagues across levels who chose to support scholars they may never meet. Such acts speak to a shared belief in the purpose and impact of these initiatives.

Ultimately, the strongest measure of trust is behaviour. It is reflected in the choices people make, to join the Group, to pursue opportunities across businesses and geographies, to take on larger responsibilities, and to build long-term careers within the organisation. It can be seen in the strength of our leadership pipeline, the mobility of our talent, the quality of our employee experience and the pride employees express in being associated with the Group.

These outcomes are built gradually through consistent actions and shared experiences. They create continuity through periods of growth and change and provide a strong foundation for the future.

Your Company's Performance

FY26 marked an important step in your Company's transformation journey. Despite a challenging external environment, the year was characterised by meaningful strategic progress across the business. Investments made over the past few years in brand building, product innovation, customer experience, digital capabilities and new growth platforms are beginning to translate into stronger business performance and a clearer path towards sustainable, profitable growth.

Over the years, your Company has built a distinctive fashion and lifestyle ecosystem comprising India's largest ethnic wear platform, a leading luxury retail business, a dominant masstige and value retail play, and one of the country's largest digital-first fashion portfolio. This diversified presence enables us to serve consumers across multiple occasions, lifestyles, price points and channels, while positioning the Company to participate meaningfully in India's evolving consumer story.

FY26 marked an important transition from building these growth platforms to scaling them with greater focus and discipline. Across the business, our priorities were centred on strengthening execution, enhancing fashion relevance, expanding omni-channel capabilities, elevating retail experiences and building stronger operating capabilities. These initiatives are driving sustainable growth while laying the foundation for long-term value creation.

The progress achieved during the year reinforces our confidence in the strategy adopted and the opportunities that lie ahead. Supported by a balanced mix of scaled businesses and emerging growth engines, strong brands and a consumer-centric approach, we believe your Company is well positioned to create sustainable value for its stakeholders.

India's Fashion Market Is Poised for Sustained Long-Term Growth

India's fashion and lifestyle industry continues to offer a compelling long-term growth opportunity. Rising incomes, favorable demographics, urbanization and increasing fashion consciousness are reshaping consumer behavior, with apparel becoming an expression of identity, aspiration and lifestyle. Consumers today are seeking greater choice, better quality and more seamless access across physical and digital channels.

Industry estimates suggest that India's apparel retail market could be more than ₹14 lakh crore by FY30, with organized retail growing faster than the overall market. The shift towards branded apparel, premiumization, omni-channel retail and digital commerce creates a favorable environment for companies with trusted brands, strong execution capabilities and differentiated proposition to build a compelling play.

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While the near-term operating environment may continue to be shaped by geopolitical developments, inflationary pressures and fluctuations in consumer sentiment, India's long-term consumption fundamentals remain strong. With its strong portfolio of brands, growing omni-channel ecosystem and focus on consumer-led innovation, Your Company is well positioned to fully leverage this opportunity.

FY26 Performance: Strengthening Momentum, Creating Value

FY26 saw your Company's strategic priorities translate into encouraging business outcomes. Revenue grew by 11% year-on-year to ₹8,177 crore, supported by broad-based growth across the portfolio, stronger retail execution and continued progress in omni-channel capabilities.

Alongside revenue growth, the Company continued to strengthen earnings quality through disciplined execution, while investing in technology, retail expansion and future growth platforms. These investments are strengthening the Company's long-term competitive position while creating a stronger foundation for sustainable and profitable growth.

Digital initiatives remain a key growth driver, with e-commerce revenue increasing by over 20% during the year and contributing approximately 16% of total revenue. At the same time, the Company expanded its physical footprint by adding over 180 stores and nearly 0.6 million square feet of net retail space, further enhancing accessibility across priority markets.

Today, your Company reaches consumers through one of India's largest fashion retail networks, comprising 1,273 stores spanning over 7.9 million square feet, complemented by a strong presence across brand websites and leading digital marketplaces. This integrated omni-channel ecosystem enables us to serve consumers seamlessly across touchpoints, strengthening engagement while creating a scalable platform for long-term growth.

Strengthening Leadership Across Key Business Segments

Masstige and Value Retail Segment

India's expanding middle class, rising disposable incomes and increasing preference for organised retail continue to create a compelling long-term opportunity in the masstige and value fashion segment. Consumers today are increasingly seeking contemporary fashion, superior quality, differentiated shopping experiences, and omnichannel access. These structural shifts provide a strong foundation for sustained growth and reinforce the strategic importance of this business within your Company's portfolio.

During the year, Pantaloons continued to make meaningful progress in its strategic transformation, with a clear focus on strengthening its fashion authority and enhancing the overall consumer proposition. The business accelerated its efforts towards fashion freshness, premiumisation, improved merchandising and elevated in-store experiences, while further strengthening its omni-channel capabilities. Brand-building initiatives, including the appointment of its first celebrity brand ambassador and digitally led consumer campaigns, helped deepen consumer engagement and strengthen the brand's contemporary appeal. Together, these initiatives are positioning Pantaloons as a sharper, more relevant and increasingly differentiated fashion destination for the modern Indian consumer.

Our value fashion retail format, OWND, also continued to strengthen its presence during the year, expanding its footprint with the addition of 34 stores. While expansion remained an important priority, equal emphasis was placed on optimizing the operating model, elevating merchandise architecture and building a scalable platform for long-term growth. As the business continues to evolve, we believe OWND is well positioned to address the growing demand for affordable fashion, and become an important contributor to the Company's future growth journey.

Ethnic Wear Segment

Ethnic wear continues to be one of the most attractive growth opportunities within India's fashion industry, supported by increasing premiumisation, rising aspirations and sustained demand across wedding, festive and everyday occasions. Your Company has built India's largest and most comprehensive ethnic wear platform, addressing the full spectrum of consumer needs—from luxury couture and designer fashion, to premium occasion wear and branded ethnic apparel.

Our Designer-Led Brands portfolio, comprising Sabyasachi, Shantnu & Nikhil, Tarun Tahiliani and House of

Masaba, continues to lead the Indian fashion landscape. These brands have established strong consumer affinity through their signature design language, craftsmanship and cultural relevance, while creating enduring desirability across domestic and international markets. During the year, the portfolio's performance was supported by increased consumer engagement, category diversification, thoughtfully curated flagship experiences, and strengthened digital storytelling initiatives. With strong brand equity, healthy profitability and significant headroom for expansion, we believe this portfolio represents one of the most valuable long-term growth engines within the Company.

Our Premium Ethnic Brands, comprising TASVA, Jaypore and TCNS brands, addresses a much broader consumer opportunity and continues to evolve into a scalable growth business. TASVA further strengthened its position in the premium wedding wear segment through strategic expansion across key markets, compelling product offerings and an enhanced consumer experience. Jaypore continued to build on its unique artisanal positioning through selective store expansion, stronger omni-channel capabilities and curated lifestyle offerings, reinforcing its appeal among premium consumers. TCNS progresses steadily in its transformation journey, with renewed emphasis on strengthening the consumer proposition, refreshing the retail identity and improving operational performance. Collectively, these businesses provide your Company with a powerful platform to address India's rapidly evolving ethnic wear market across multiple consumer segments, occasions and price points.

Luxury Retail Segment

India's luxury retail market is at an inflection point, driven by rising affluence, increasing global exposure, evolving consumer aspirations and growing demand for premium experiences. Luxury consumption is expanding beyond traditional metropolitan markets, creating a significant long-term opportunity for organised players with strong brand partnerships, differentiated retail formats and deep consumer understanding.

Your Company has built a robust luxury portfolio comprising The Collective, Mono Brands and Galeries Lafayette, positioning it across multiple segments of the super-premium and luxury market. The Collective and Mono Brands continued to strengthen their leadership through a curated portfolio of global brands, an increasingly loyal customer base, expanding omni-channel capabilities and selective retail expansion.

A defining milestone during the year was the launch of Galeries Lafayette in Mumbai, introducing one of the world's most iconic luxury department store in India. More than a retail destination, Galeries Lafayette represents a first-of-its-kind, experiential luxury concept, bringing together global luxury brands, curated experiences and immersive consumer engagement under a single roof. Together with The Collective, it significantly strengthens your Company's luxury ecosystem and positions ABFRL to participate meaningfully in the next phase of India's premiumisation journey.

Digital -First Brands

TMRW continues to strengthen its position as your Company's digital-first growth platform, built to serve the evolving aspirations of India's next generation of consumers. As fashion discovery increasingly shifts towards digital ecosystems, social influence and creator-led engagement, this platform is well positioned to build contemporary brands that are relevant, agile and capable of scaling across multiple consumer segments.

During the year, TMRW continued to strengthen its portfolio through product innovation, premiumisation and richer consumer engagement. The focus remained on building stronger brands, improving the quality of growth and creating a more sustainable business model, while leveraging technology and data to enhance consumer experiences and deepen customer relationships.

As the platform matures, TMRW is progressively evolving from a digital-first business model into an omni-channel platform led by expansion of exclusive brand stores alongside its strong online presence. We believe this integrated approach will enable TMRW to build enduring consumer brands.

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Accelerating Our Sustainability Journey

As we build the next phase of ABFRL, sustainability will continue to be a source of long-term competitive advantage rather than a parallel business agenda. Fashion is undergoing a fundamental shift, with consumers, investors and other stakeholders increasingly expecting businesses to combine growth with responsibility. At ABFRL, we see this transition as an opportunity to build stronger brands, more resilient value chains and a future-ready organisation that is better equipped to create enduring value.

Over the years, we have built a strong foundation, and our focus now is on embedding sustainability deeper into the way we design products, source responsibly, operate our businesses and engage with our stakeholders. As we move forward, we will continue to strengthen our climate commitments, advance circularity, improve supply-chain accountability and leverage technology to enhance transparency and decision-making. Our objective remains clear—to create long-term value for shareholders while contributing positively to society and leaving a lighter footprint on the environment.

Poised for the Next Phase of Growth

We remain committed to shaping a future-ready fashion and lifestyle company at the forefront of India's evolving retail landscape. The opportunity ahead is significant, and it demands sharper execution and greater agility. We are focused on proactively adapting to evolving consumer preferences, strengthening fashion freshness, deepening omni-channel engagement and delivering superior retail experiences. We will continue to invest in our brands while ensuring that growth is pursued with discipline, capital efficiency and a clear path towards stronger profitability and cash generation.

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Guided by a clear vision, powered by our talented teams and anchored in operational excellence, we remain committed to creating enduring value for our shareholders, customers, employees, partners and communities.

We thank you for your continued trust and support as we work towards shaping the future of fashion and lifestyle retail in India.

CONCLUSION

In a world characterised by constant change, trust, becomes an even more valuable source of resilience and differentiation. In my view, trust is the currency that matters.

Over the years, one of the most encouraging aspects of the Aditya Birla Group's journey has been the way trust in the Group has translated across businesses, strengthening consumer affinity, deepening stakeholder relationships and reinforcing the resilience of our portfolio.

Trust, after all, provides a strong foundation for growth. It gives us the confidence to pursue transformation within our existing businesses and the conviction to build new growth platforms for the future. More importantly, it allows us to do so with the support of those who matter most to our success—our customers, employees, partners, investors, and communities.

— Kumar Mangalam Birla
Chairman, Aditya Birla Group

POWERING THE FUTURE

ASHISH DIKSHIT
MANAGING DIRECTOR

Dear Shareholders,

I am pleased to share with you the third Integrated Annual Report of your Company for FY2025-26.

FY26 was an important year in our journey of building stronger, more focused businesses for the future. While the external environment remained challenging, we continued to concentrate on the priorities that matter most – staying closer to consumers, bringing sharper products to market, enhancing our digital capabilities, improving customer experience, and creating a more robust foundation for profitable scale.

Today, your Company operates across a differentiated fashion and lifestyle platform spanning four broad areas with large addressable markets – Ethnic, Value and Mass-tige, Digital-First Brands and Luxury. This gives us meaningful participation in India's evolving consumption story and allows us to serve consumers across occasions, price points and channels

Transforming Markets, Unlocking Opportunities

The categories in which we are present are large, attractive, and expanding, offering significant headroom for growth over the long term. Each business has the potential to become sizeable anchored around building an enduring brand with distinct consumer proposition, supported by an evolving market characterised by changing consumer aspirations, rising demand for differentiated offerings and the shift towards organized branded consumption.

During the year, we transitioned from "portfolio creation" to "business build out" as we started building the new growth engines with enhanced focus on accelerating path to profitability. We placed sharper emphasis on improving unit economics, strengthening operating models and ensuring that each business is better prepared for sustainable expansion. Encouragingly, we also began to see early signs of momentum across several parts of the platform. These green shoots reflect improving consumer acceptance of our brands, clearer product market fits led by better execution in a dynamic market environment.

As India's fashion and lifestyle landscape continues to transform, we believe our breadth of businesses give us a strong platform to capture emerging opportunities. The progress made during FY26 strengthens our conviction on our strategy and the journey ahead.

Going forward, our focus will be on driving better execution that helps us grow with sustained improvement in profitability. We remain steadfast towards building businesses that are relevant today, resilient for tomorrow and capable of creating long-term value for all stakeholders.

FY2025-26 Business Performance

During FY26, your Company delivered a steady performance, with revenue increasing by 11% year-on-year to

₹8,177 crore. This growth was broad-based, with strong contributions from our Ethnic, TMRW, and Luxury businesses, each of which recorded double-digit growth during the year.

Equally important was the quality of growth, supported by improving profitability, disciplined cost management and focused execution across businesses. This gives us confidence that the scale we are building will increasingly drive stronger economics and, in the process, build a more resilient operating model.

We also continued to expand our retail presence in a calibrated manner. During the year, we added 0.6 million square feet of retail space on a net basis, strengthening our reach in key markets and bringing our brands closer to consumers. At the end of FY26, our retail network comprised 1,273 stores across nearly 7.9 million square feet.

This expanding footprint, together with our digital and omni-channel capabilities, provides us with a stronger platform to serve consumers across multiple touchpoints and build the foundation for the next phase of growth.

Building Momentum for Sustainable Growth

Masstige and Value Retail Segment

The Value/Masstige segment delivered revenue of **₹4,560 crore** in FY26, reflecting a 4% year-on-year growth. EBITDA margin for the segment stood at 16.2%.

Pantaloons continued to progress on its transformation journey during the year. Over the past 18 to 24 months, the business has undertaken several important initiatives to strengthen its customer proposition, refresh its product offering, elevate the store experience and improve operating rhythm across functions. These actions are helping the brand become more relevant to today's consumers while building a stronger platform for sustainable growth. During the year, we saw a gradual improvement in like-to-like (LTL) performance, reflecting early benefits of the transformation agenda. The business also continued to invest in driving brand salience and consumer engagement, including the appointment of its first celebrity brand ambassador and digital-led campaigns that enhanced its contemporary appeal.

OWND, our value fashion format, continued to expand its presence during the year. The store network grew to 79 stores, with 34 stores added in FY26. As we scale OWND, our focus will remain on building the business in a measured and disciplined manner, while strengthening its merchandise proposition, operating model and unit economics.

Given the size of the value fashion opportunity in India, we believe OWND has the potential to become an important growth platform for your Company over time. Together, Pantaloons and OWND give us a strong presence across the Value & Masstige segment, enabling us to serve a large and evolving consumer base with differentiated propositions across price points and occasions.

Ethnic Wear Segment

The Ethnic segment delivered a strong performance in FY26, with annual revenue of **₹2,227 cror**e, reflecting 14% year-on-year growth. EBITDA margin expanded by 560 basis points to 10.8%, demonstrating improving scale, better operating leverage, and disciplined execution across the portfolio. The business also delivered 16% like-to-like growth during the year, reflecting healthy consumer traction across brands.

Our ethnic portfolio continued to expand its reach, with over 680 stores across key markets, including over 80 new store additions during the year. This growing footprint gives us the ability to serve consumers across a wide spectrum of occasions, from weddings and festivities to contemporary ethnic and everyday wear.

The Designer-Led Brands portfolio, comprising Sabyasachi, Shantnu & Nikhil, Tarun Tahiliani, and House of Masaba, continued to drive strong results. These brands remain important anchors of our bridge-to-luxury and luxury ethnic strategy, supported by their distinctive design identities, strong brand equity and deep connection with Indian craft and culture. During the year, growth was supported by category extensions, craft-led and contemporary launches, and deeper brand collaborations across the portfolio. The business continued to deliver robust growth along with strong double-digit profitability.

The Ethnic segment delivered a strong performance in FY26, with annual revenue of ₹2,227 crore, reflecting 14% year-on-year growth. EBITDA margin expanded by 560 basis points to 10.8%, demonstrating improving scale, better operating leverage, and disciplined execution across the portfolio. The business also delivered 16% like-to-like growth during the year, reflecting healthy consumer traction across brands.

The Premium Ethnic Brands portfolio, including TASVA, Jaypore, and TCNS brands, also made encouraging progress during the year. TASVA maintained its growth momentum, delivering consistent double-digit like-to-like growth for both the quarter and the full year. The brand continues to build strength across product, retail experience, and brand image, with a clear focus on scaling across India's key wedding markets. Its network now stands at 94 stores, and we will continue to expand selectively in high-potential locations.

Jaypore achieved strong double-digit growth, underpinned by strategic store expansion and healthy momentum across its e-commerce channels. With a network of 44 stores, the brand continues to strengthen its position in the premium artisanal and craft-led ethnic wear space, offering a differentiated proposition to consumers seeking authenticity, design, and craftsmanship.

TCNS made meaningful progress on both growth and profitability. The business delivered 10% like-to-like growth, driven by a sharper product proposition, refreshed collections and new launches that resonated well with consumers. Full-year cash losses reduced by more than half compared to last year, reflecting focused execution and tighter operating discipline. The launch of the first W for Woman flagship store in Mumbai was an important milestone, bringing the refreshed brand proposition to life in a stronger retail format.

TCNS made meaningful progress on both growth and profitability. The business delivered 10% like-to-like growth, driven by a sharper product proposition, refreshed collections and new launches that resonated well with consumers. Full-year cash losses reduced by more than half compared to last year, reflecting focused execution and tighter operating discipline. The launch of the first W for Woman flagship store in Mumbai was an important milestone, bringing the refreshed brand proposition to life in a stronger retail format.

Together, our Designer-Led and Premium Ethnic businesses give your Company a strong and differentiated presence in one of India's most attractive fashion categories. As we move ahead, our focus will be on scaling these brands with improving store productivity, strengthening profitability and building a comprehensive ethnic wear platform that serves consumers across segments, occasions, and price points.

Luxury Segment

The Luxury business continued to build momentum during FY26, supported by a portfolio that brings together The Collective, Fred Perry, Polo Ralph Lauren, Ted Baker London, Hackett (Mono Brands) and Galeries Lafayette. Together, these formats allow your Company to address distinct parts of the super-premium and luxury market, from curated multi-brand retail to exclusive brand-led experiences and large-format luxury destinations.

During the year, The Collective and Mono Brands delivered revenue growth of around 9% on a profitable basis, supported by positive like-to-like growth. The performance was driven by the strength of the international brand portfolio, strong customer relationships and a differentiated retail experience. The business also expanded its footprint with the addition of 8 new stores, while continuing to scale in a measured manner through selective market expansion, improved omni-channel capabilities and deeper engagement with high-value consumers.

The launch of Galeries Lafayette in Mumbai was an important milestone in our luxury journey. It brings to India a globally recognised luxury department store format and creates a distinctive destination for premium consumers. With its curated brand mix, elevated store environment, and experiential approach, the format is designed to offer much more than conventional retail.

Galeries Lafayette is still in its early phase and our immediate focus is on building consumer awareness, strengthening brand partnerships, refining the operating model and establishing it as a relevant luxury destination for the Indian market. Alongside The Collective and Mono Brands, it adds depth and scale to our luxury play and strengthens our ability to participate in India's growing premium consumption opportunity.

Digital-First Brands

TMRW continued to make strong progress with its focus around creating new-age fashion and lifestyle brands for a generation of consumers whose discovery, engagement and purchase journeys are increasingly shaped by digital platforms, social communities and creator-led influence.

During FY26, the portfolio delivered robust revenue growth of 34%, while losses began to reduce through the year, reflecting a planned, gradual shift towards better-quality and more sustainable growth. This progress was supported by sharper brand positioning, improved product-market fit, premiumisation initiatives and more focused consumer engagement across the portfolio.

Technology and data remained central to the way TMRW builds and scales its brands. These capabilities are helping the platform understand consumer preferences better, improve assortment decisions, enhance customer experience, and create stronger repeat engagement.

During the year, TMRW also expanded its offline presence in a calibrated manner, adding over 60 stores and taking the total network to 120 stores across brands. This selective expansion of exclusive brand stores, alongside its strong digital presence, is helping the platform build deeper consumer connect and improve brand visibility.

As TMRW scales, our priority will remain on strengthening brand fundamentals, improving unit economics, reducing losses, and building a portfolio of contemporary brands with the potential to become meaningful long-term businesses.

The Digital Leap

We continued to strengthen our digital and e-commerce capabilities across brands, with a clear focus on creating seamless, consistent and engaging consumer experiences across touchpoints. Built on our proprietary in-house e-commerce platform, our digital ecosystem now includes dedicated brand websites, mobile applications and virtual stores, enabling our brands to engage consumers more effectively across both online and omni-channel journeys.

During the year, we made meaningful progress in modernizing our core technology infrastructure, strengthening data capabilities and embedding AI-led solutions across key areas of the business. AI-driven insights, customer analytics, and data-led decision-making are helping us better understand consumer behavior, improve personalization, sharpen engagement and enhance operational efficiency.

These initiatives are enabling us to deliver more relevant and intuitive experiences to consumers, while building a digital foundation that is more agile, scalable, and future-ready.

E-commerce continued to gain scale as an important growth channel, contributing around 16% of revenue during the year. With e-commerce revenue growing over 20% year-on-year, the channel reflects the increasing strength of our digital ecosystem and its ability to support deeper consumer engagement across online and omni-channel platforms.

Commitment to ReEarth Sustainability 3.0 Program

ABFRL continues to advance its sustainability agenda through the ReEarth Sustainability Program, which remains central to how we think about responsible growth and long-term value creation. Our efforts are focused on building a more future-ready business by driving progress across material innovation, circularity, traceability, resource efficiency, and responsible sourcing.

We are now moving into the next phase of our sustainability journey — ReEarth Sustainability 3.0: Transformation. Beginning FY26, this phase represents a shift towards deeper, enterprise-wide action. Our ambition is to build comprehensive readiness for decarbonisation, scale circular practices, strengthen transparency across the value chain and support inclusive growth. This marks an evolution from embedding sustainability into business processes to creating broader, systemic impact.

Our sustainability efforts are also strengthened through collaborations with global partners, enabling us to explore new materials, improve supply-chain visibility, and accelerate circular business models. These initiatives are helping us build greater resilience while responding to the expectations of consumers, communities, investors and other stakeholders.

Alongside our environmental and governance priorities, we remain committed to creating meaningful social impact through our Corporate Social Responsibility initiatives. Our CSR programmes are designed to support inclusive development and address priority community needs through measurable and outcome-oriented interventions.

During the year, the Company implemented CSR initiatives across Karnataka, Tamil Nadu, Maharashtra, Odisha, Delhi NCR, Meghalaya, and Andhra Pradesh, with a focus on education and skill development. Through these efforts, we aim to empower communities, enhance livelihood opportunities, and contribute to more inclusive and sustainable progress.

Charting the Future of Growth

As we move into the next phase of our journey, our priorities are firmly aligned towards building a stronger, more resilient, and future-ready fashion and lifestyle business. FY26 demonstrated that the investments made over the past few years in brands, distribution, digital capabilities and operating infrastructure are beginning to translate into tangible business outcomes.

During the year, your Company delivered healthy revenue growth along with improved margins, supported by scale benefits, sharper execution and better operating discipline across businesses. This progress reinforces our confidence in the strength of our portfolio and the long-term potential of the markets we serve.

While the consumption environment showed signs of improvement in the latter part of the year, we remain watchful of near-term volatility. However, the structural opportunity in organised fashion and lifestyle retail in India remains significant, supported by evolving consumer aspirations, premiumisation, increasing brand consciousness and the continued shift towards modern retail formats.

Our focus remains on scaling the businesses thoughtfully, improving profitability, strengthening customer engagement across channels and delivering differentiated retail experiences. We will continue to balance growth with financial discipline, ensuring that expansion is supported by stronger unit economics, operating leverage and sustainable cash generation.

With a strong gross cash position, a diversified portfolio of powerful brands and a clear execution agenda, ABFRL is well placed to unlock its next phase of growth and create long-term value for all stakeholders.

TMRW also expanded its offline presence in a calibrated manner, adding over 60 stores and taking the total network to 120 stores across brands. This selective expansion of exclusive brand stores, alongside its strong digital presence, is helping the platform build deeper consumer connect and improve brand visibility.

Our focus remains on scaling the businesses thoughtfully, improving profitability, strengthening customer engagement across channels and delivering differentiated retail experiences. We will continue to balance growth with financial discipline, ensuring that expansion is supported by stronger unit economics, operating leverage and sustainable cash generation.

Future-Ready and Focused

I would like to extend my heartfelt gratitude to our esteemed shareholders for the trust and confidence they have placed in us. I also sincerely thank our customers, franchisees, bankers, vendors and other business partners for their continued support and valuable contribution to your Company's growth journey.

I am especially grateful to our Board of Directors, the Management team, and all our employees for their commitment, dedication, and unwavering support through the year. Their efforts remain instrumental in strengthening your Company and advancing our strategic priorities.

As apparel and fashion remain important pillars of the retail story in India, we are confident that ABFRL's strong and differentiated brand portfolio positions us well to achieve greater scale, strengthen market leadership and play a meaningful role in shaping the future of fashion and lifestyle retail in India.

Warm Regards,
Ashish Dikshit
Managing Director
Aditya Birla Fashion and Retail Limited

pantaloons
SPARK YOUR IMAGINATION

/// **PANTALOONS**, is one of India's leading fashion destinations, serving customers across 190+ cities through 400+ stores and a strong online presence. Rooted in the belief that fashion is a powerful expression of individuality, the brand offers distinctive collections across multiple categories and occasions. With contemporary trends, versatile silhouettes and thoughtfully curated style choices, Pantaloons enables customers to express their personal style with confidence. Guided by the brand promise of "Spark Your Imagination", Pantaloons creates engaging retail experiences that inspire self-expression, celebrate individuality, and make fashion accessible, relevant, and inspiring for every customer.

OWND!

/ / / OWND! Aditya Birla Fashion and Retail Ltd. (ABFRL) launched a bold new fashion brand designed for India's Gen Z and youthful, trend conscious consumers. OWND! is inspired by youth culture, with a core mission to spark conversations and empower young people to own every moment with their unmistakable charisma. This new brand proposition, with its dynamic energy, will bring a wave of fashion retailing that resonates with the fashion-conscious & value-driven GenZ.

THE COLLECTIVE®

/ / / THE COLLECTIVE is the definitive destination of luxury for fashion connoisseurs. Founded 15 years ago with a vision to bringing global labels to India's jetset, the brand has today grown to be the largest nation-wide retail chain offering luxury fashion. With curated collections from over 85 iconic labels, The Collective has a wide network of stores across the country, and is drawing up exciting plans to open even more in the coming fiscals. Thecollective.in website offers the experience of shopping the finest from around the globe, from the comfort of your home. Thoughtfully designed value-added services like personal styling, made-to-measure and loyalty programmes help ensure that The Collective remains the go-to brand for India's most stylish circles.

RALPH LAUREN

POLO
RALPH LAUREN

/ / / RALPH LAUREN & RALPH LAUREN POLO For more than 50 years, Ralph Lauren has sought to inspire the dream of a better life through authenticity and timeless style. The luxury label is all about living the best life you can and enjoying the fullness of the life around you—from what you wear, to the way you live, to the way you love. Distinct tailoring lines under the Ralph Lauren brand include Purple Label; stylish separates for men and the Ralph Lauren Collection for Women. Focussed attention to detail, collaborations with heritage mills, rich fabrics and trimmings sourced from artisanal craftsmen across the world, ensure that every piece of Ralph is timeless luxury. The brand's philosophy, "Style Is Forever," encapsulates its commitment to impeccable design and enduring fashion. Ralph Lauren stands as a beacon of aspirational living, inspiring a better life through authenticity and an American perspective.

FRED PERRY

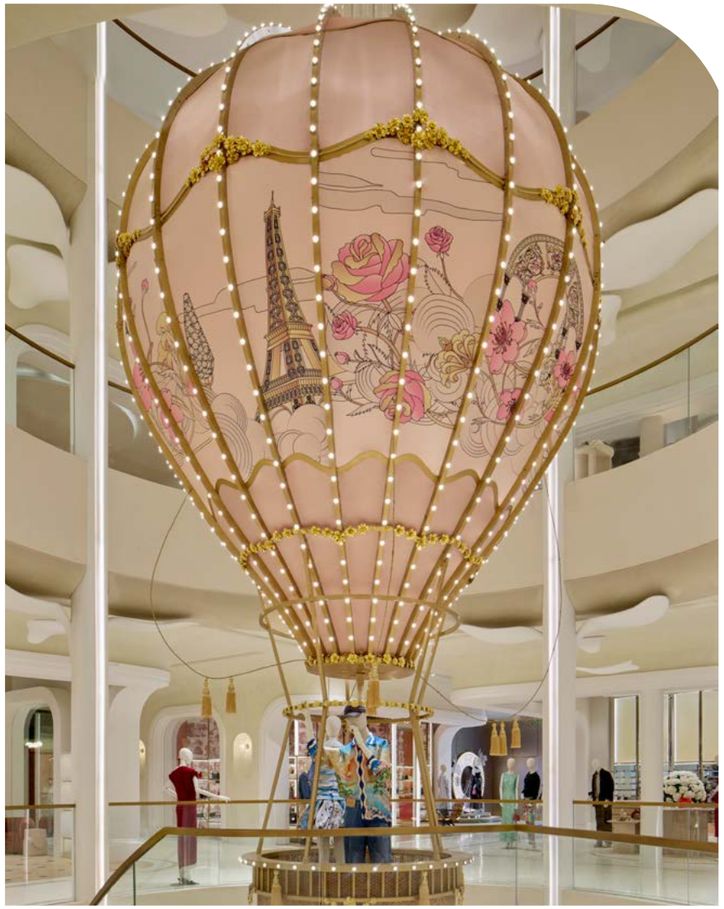
/ / / FRED PERRY Triple Wimbledon champion Fred Perry played and fought his way through, always with style and despite the establishment. In 1952, he founded the Fred Perry brand, designing his first pique shirt. That shirt, would transcend sportswear to streetwear on the backs of generation after generation of British youth subcultures. It is the start and end of everything Fred does, because it's more than a shirt – it's a rite of passage, it's the uniform of the non-uniform. Fred is proud to have a community of customers from all over the world, adopting the Fred Perry Shirt in their own unique way. Over the past 70 years, the Laurel Wreath has become a signature of both individuality and of belonging – from elite sports players, to fringe subcultures. The brand continues to celebrate diversity, with exciting collaborations with inspiring designers, musicians and artists.

TED BAKER
LONDON

/ / / TED BAKER LONDON Having launched as a shirt specialist of some repute in Glasgow, Ted Baker quickly became the place to buy some of the very best contemporary men's shirting. From the beginning Ted has had a very clear, unswerving, focus on quality, attention to detail and a quirky sense of humour – something that gained the quickly growing brand the title of 'No Ordinary Designer Label'. Everything produced under the Ted Baker name has his personality woven into its very heart. Today, Ted is one of the fastest-growing leading lifestyle brands in the UK with a wide range of collections including Menswear, Womenswear, Global, Endurance, Pashion, Langley, Accessories, Fragrance, Skinwear, Footwear, Eyewear and Watches.

HACKETT
LONDON

/ / / HACKETT LONDON As a young man working on Savile Row, Jeremy Hackett became fascinated by the British attire of the early 20th century gentleman. By 1983, he had opened his first store selling second-hand clothes. It was here that he began creating his own garments, merging traditional styles with modern cuts, for those seeking Savile Row style - without the associated cost. Since then, Hackett has grown to sit at the forefront of traditionally-inspired menswear, with a dedicated global following. Today, Hackett has over 160 stores in more than 30 countries and specific tailoring lines including Hackett Sport for the off-duty Hackett man. Hackett is also proud to have partnered with many like-minded brands such as British Army Polo, Henley Royal Regatta and Aston Martin.



Galeries Lafayette MUMBAI
ADITYA BIRLA | LUXURY

/ / / GALERIES LAFAYETTE Born in Paris in 1894, Galeries Lafayette is one of the world's most iconic and celebrated department stores, a name that has defined global fashion, beauty, and culture for over a century. **Now, for the first time, it calls Mumbai home.** Galeries Lafayette Mumbai is a reimagined retail universe spread across **90,000 square feet** within two of the city's most storied addresses, **Turner Morrison and Voltas House, in Kala Ghoda, Mumbai's art and culture district.** Reborn through months of meticulous craftsmanship by our teams alongside India's finest conservation experts, these heritage buildings now hold the future of luxury within walls that have stood for over a century. Here, global fashion meets homegrown sophistication**. Over 250 of the world's most revered luxury, design, beauty and fragrance houses converge under one roof, with 70% making their India debut exclusively here.** Beyond retail, personal styling, private lounges, and concierge services elevate every visit, while art and design by Indian artists are woven into the very fabric of the space, blurring the line between fashion and fantasy, the global and the local. This is **Art de Vivre and Joie de Vivre**, reimagined for Mumbai.

Five floors. Over 250 brands. Discoveries found nowhere else in India.

- The journey begins on the lower ground floor – 'La Beauté,' a rare assembly of the **world's most coveted beauty and fragrance houses,** many marking their India debut here.
- Rise to the ground floor – 'La Coupole,' and step into **India's premier destination for bags and accessories,** where **over 600 curated bags** from the world's most coveted names sit alongside an expansive eyewear gallery.
- The first floor – 'L'Atelier,' is where the **most poetic and powerful names in womenswear** and **occasionwear live** side by side, each piece a quiet study in craft.
- The second floor – 'L'Édition Femme', opens into a sweeping, **endlessly explorable world of contemporary womenswear,** alive with the season's most exciting voices.
- The third floor belongs to the modern man, 'L'Édition Homme' and 'Le Vestiaire' together **house one of India's largest contemporary menswear collections, alongside bespoke tailoring** and impeccably constructed pieces built to last a lifetime.
- And on the fourth floor – 'Flip Side' reveals the **store's most progressive space**, channelling the underground spirit of Paris through Mumbai's lens, with **cult labels, collectible drops, an expansive denim edit,** and elevated streetwear for those who know.

SABYASACHI
CALCUTTA

SABYASACHI is India's leading luxury house rooted in heritage, quality and craftsmanship. A brand that revels in India's legacy but with a unique perspective: capturing what was and what will be, a single-minded vision to create modern heirlooms.

A market pioneer, Sabyasachi is the first Indian designer and brand to collaborate with Estée Lauder, Christian Louboutin, H&M, Pottery Barn, and Starbucks. A pioneering Indian brand, and as a global brand, Sabyasachi has maintained a partnership with Bergdorf Goodman in New York since 2020 and hosted retail experiences at Harrods, Saks Fifth Avenue, Neiman Marcus, Holt Renfrew Toronto & Vancouver, and Printemps Doha.

With flagship stores in major cities across India and launching its first international flagship in New York City in 2022, Sabyasachi is creating a unique global dialogue that brings together slow authentic luxury and the finest of Indian crafts.

SHANTNU NIKHIL
COUTURE

/ / / SHANTNU NIKHIL In our illustrious 25-year journey, Shantnu Nikhil Couture continues to redefine the codes of Indian occasion dressing through a language rooted in structure, drape, and cultural reinterpretation. Our sharply tailored silhouettes merge military precision with fluidity and asymmetry, creating a distinct design vocabulary that challenges convention while remaining deeply connected to the emotion of celebration. At the heart of the Maison lies an ongoing dialogue around identity, individuality, and the evolving way India dresses today. Through our contemporary lens on ceremony, we continue to question traditionalism, champion the idea of soft masculinity, and reshape what it means to celebrate yourself beyond prescribed codes.
Our design philosophy extends across multiple expressions of the Maison. S&N by Shantnu Nikhil serves as our Prestige-Prêt extension, translating couture house codes into a progressive ready-to-wear language designed for moments that matter. With SNCC (Shantnu Nikhil Cricket Club), we bring together cricket, fashion, and lifestyle through elevated sporty essentials inspired by India's enduring club culture and collective love for sport. Further strengthening our womenswear universe, we introduce a dedicated red carpet couture destination at The Dhan Mill, New Delhi, a space imagined for women through sculptural glamour, confidence, and self-expression. Today, the Maison spans 23 retail stores across India alongside a thriving omni-channel e-commerce platform, continuing to shape a culturally resonant vision of Indian luxury that reflects not just how people dress, but how they choose to celebrate today.

masaba

/ / / HOUSE OF MASABA Masaba Gupta founded her label 'House of Masaba' at the age of 19 and since has won the title of the 'Queen of Prints'. Within 16 years, House of Masaba has become a renowned, award-winning luxury brand of bridal, festive, resort wear, and jewellery. House of Masaba's designs are a celebration of colour that exude a playful and experimental aura. House of Masaba has grown to operate 24 flagship stores across India. In 2022, the mother brand extended into Beauty with LoveChild, Masaba's meticulously curated brand with products across make-up and fragrances among others that celebrates beauty with a unique Indian quirk. The brand offers an extensive range of high-performing multi-benefit products that are designed to suit all Indian skin tones. Launched online first with lovechild. in followed by ecommerce platforms; the brand has quickly gone beyond its digital success, establishing a presence in offline retail, making its unique hybrid products accessible to a wider audience.

TARUN TAHILIANI

/ / / TARUN TAHILIANI Setting out to create the image of India Modern, Tarun Tahiliani is a brand that straddles the present while rooted in India's heritage of draped form and tradition of artistry. These quintessential techniques of craftsmanship, imbibed with love across generations, are made globally astute through the cut, construct and finish of Tarun Tahiliani silhouettes. Each creation exemplifying the guiding philosophy – "all that we were and more."

Founded in 1995, the Tarun Tahiliani Design Studio juxtaposes modern sartorial prowess and the intricacies of Indian technique with skill. These richly detailed, structured drapes are crafted to lend an edge to Tahiliani's modern, Indian woman. Across couture, occasion wear and ready-to-wear, the designer's studio creates unique combinations of historical opulence and contemporary chic through the fine crafts and textiles of India.

Now nestled deep inside Gurugram, Haryana, the atelier houses a trusted team of one 100s of designers, master-craftsmen, tailors, drapers, and seamstresses. Standing as a red brick structure designed with a signature TT façade, it was constructed in 2008, and is currently the base of all operations.

TASVA
X TARUN TAHILIANI

TASVA is a leading men's ethnic wear brand committed to providing sophisticated and high-quality clothing options for fashion conscious men. With a focus on craftsmanship and attention to detail, Tasva offers a curated range of kurtas, kurta sets, bundis, sherwanis, bandhgalas, achkans, churidars, aligarhis, and Indo-western ensembles. The collection is complemented by footwear and a curated selection of accessories, enabling complete wedding and celebration dressing. The brand's products are available at exclusive Tasva stores across India and online at www.Tasva.com.

JAYPORE

JAYPORE India wears her beauty through vibrant textiles, intricate jewelry , and stories shaped by generations of craftsmanship. There is poetry in the hands that work the loom, patience in every careful stitch, and artistry in every brushstroke that brings tradition to life.

At Jaypore, we began with a meaningful intention: to bring India's rich craft heritage closer to the world through a contemporary lens. Rooted in authenticity and thoughtful design, we collaborate with artisan communities, textile designers, independent artists, and creative thinkers to reinterpret age old crafts for modern living.

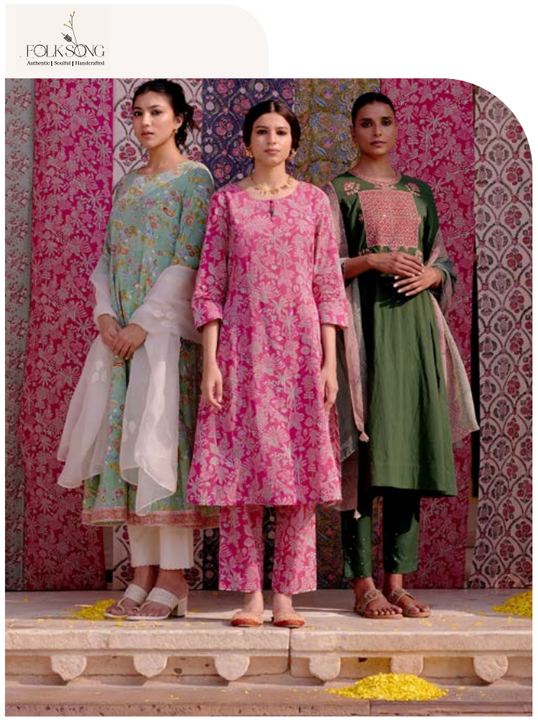
Every creation at Jaypore carries a story far greater than itself, celebrating heritage, individuality, and the enduring beauty of handmade expression. Designed for every reason and season, our collections move effortlessly through everyday rituals, festive celebrations, intimate gatherings,weddings, and modern soirées.

Today, Jaypore showcases over 39 crafts, supports 2,500+ craft families, and works with 40+ craft clusters across India, bringing timeless Indian craftsmanship to contemporary wardrobes and homes worldwide.

Traveling through India's colorful craft clusters, we curate exclusive collections that honor traditions while embracing silhouettes, textures, and a design language that feels rooted in India and relevant everywhere.

W FOR WOMAN, is a modern & elevated Indian Ethnic Wear brand for the Global Indian woman. The W collection is perfect amalgamation of Indian sensibilities imbued with modernity. W empowers women to celebrate their unique personality with sophistication by crafting fashion that defines them.

AURELIA is trendy & affordable Indian Ethnic Wear for the traditional Indian woman. The Aurelia collection features a wide range of trending styles, with the right fit and affordable prices. Aurelia empowers every traditional Indian woman to feel she has arrived in life by making trendy fashion truly accessible.



FOLKSONG is a soulful craft-led Indianwear brand for an evolved woman with an understated, timeless and minimalistic sense of style. The collection showcases a modern way of reviving historic crafts that is not divided by age or season, but united by thought and consciousness.

WISHFUL is our premium Occasion-wear brand for the contemporary Indian woman who prefers elaborate yet subtle elegance. The lustrous collection features exquisite designs with intricate details that are curated for special occasions.

ELLEVEN is positioned as the ultimate Bottomwear brand for the woman who is looking for fashion with functionality to make every day unboring. It has a wide array of style options across ethnic, western and athleisure that allow women to create their own unique look for every occasion.

TMRW
AN ADITYA BIRLA GROUP VENTURE

/ / / TMRW – HOUSE OF BRANDS

Revolutionizing fashion & lifestyle brands today! We aim to establish a leading 'House of Brands' powered by the Aditya Birla Group. Through strategic partnerships with D2C fashion & lifestyle brands, TMRW drives their transformation into customer-centric brands. Our fusion of category and brand building expertise and digital-first capabilities sets us apart. With a stellar leadership team, our brands thrive in today's market. We prioritize building enduring brands with solid fundamentals & unit economics. Expansion and a solid foundation go hand in hand. Our founder-first model emphasizes shared success and wealth creation. Join us on our journey to reshape the future of fashion, captivating hearts with beloved brands across India.

Board of Directors

Kumar Mangalam Birla
Chairman and
Non-Executive Director

Arun Adhikari
Independent Director

Sunirmal Talukdar
Independent Director

Ananyashree Birla
Non-Executive Director

Aryaman Vikram Birla
Non-Executive Director

Nish Bhutani
Independent Director

Preeti Vyas
Independent Director

Ashish Dikshit
Managing Director

Sangeeta Tanwani
Whole-time Director, CEO,
Pantaloons

Yogesh Chaudhary
Independent Director

Venkatesh Satyaraj Mysore
Independent Director

Key Executives

Shobha Ratna Tanniru
Chief Human Resource Officer

Praveen Shrikhande
Chief Digital and Information Technology Officer

Sathyajit Radhakrishnan
CEO - International Brands

Sooraj Bhat
CEO - Premium Ethnic Brands

Naresh Tyagi
Chief Sustainability Officer

Swaminathan Ramachandran
Chief Supply Chain Officer

Suraj Bahirwani
CEO (Designate) - Pantaloons

Marco Agnolin
CEO- OWND!

KEY MANAGERIAL PERSONNEL

Jagdish Bajaj
Chief Financial Officer

Rajeev Agrawal
Company Secretary and Compliance Officer

Prashanth Aluru
CEO and Co-Founder, TMRW

Nikhil Modha
CFO (Designate)

FY 2025 - 26
REVENUE HIGHLIGHTS

₹ 8,177 cr.
REVENUE FROM OPERATIONS

₹ 967 cr.
EBITDA

1,273
NO. OF RETAIL STORES

7.9 Mn. Sqft.
TOTAL RETAIL SPACE

16,000+
PERMANENT EMPLOYEES

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About The Report

PANTALOONS

We are pleased to share Aditya Birla Fashion and Retail Limited's. (ABFRL's) Integrated Annual Report for FY 2025-26. This comprehensive report provides the ability to create value, utilising both financial and non-financial resources.

This is our third integrated annual report which provides an overview of our performance, business strategy, operating environment, material issues, key risks and opportunities, governance, and approach to long-term sustainability.

This report covers operations of ABFRL, following the demerger of the Madura Fashion and Lifestyle business into a separate entity, Aditya Birla Lifestyle Brands Limited (ABLBL).

Through our integrated report, we aim to provide stakeholders with a deeper understanding of our value generation initiatives and our business approach in addressing key risks and opportunities.

Restatement of Information

There is no restatement of information due to demerger of Aditya Birla Fashion and Retail Limited and Aditya Birla Lifestyle Brands Limited.

Reporting Principles

Our Report is aligned with the International Integrated Reporting (<IR>) Framework of the Integrated Reporting and Connectivity Council (IRCC). The Report highlights how value is created over time by presenting our performance across the six capitals– financial, manufactured, human, intellectual, natural, and social and relationship.

The non-financial performance indicators disclosed are in accordance with the Global Reporting Initiative (GRI) 2021 Universal Standards and the Sustainability Accounting Standards Board (SASB). In addition, the Report also complies with the Business Responsibility and Sustainability Report (BRSR) as mandated by the Securities and Exchange Board of India (SEBI), and the IFRS Sustainability Disclosure Standards. Our reporting approach is further guided by the principles of the United Nations Global Compact (UNGC) and reflects our contribution to the United Nations Sustainable Development Goals (UN SDGs).

The preparation and presentation of non financial performance disclosures in this report are aligned with the eight GRI 2021 reporting principles: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability. These principles reinforce transparent, consistent, and reliable communication of our economic, environmental, and social performance while ensuring compliance with the applicable 'in accordance' requirements.

The financial statements are prepared in compliance with the Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013. These statements also comply with the relevant provisions of the Companies (Indian Accounting Standards) Rules, 2015, including subsequent amendments; the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with applicable SEBI circulars; the Secretarial Standards issued by the Institute of Company Secretaries of India; and other accounting principles generally accepted in India.

Reporting Period

This report presents a consolidated and detailed account of our performance for the period 1 April 2025 to 31 March 2026. We publish the report on an annual basis. The previous report was published in August 2025. The disclosures included herein reflect development, performance trends, and strategic focus areas relevant to the reporting year.

Reporting Boundary and Scope

The report discloses our financial performance for the consolidated business, covering subsidiary business entities listed in the Business Responsibility and Sustainability Report Section. The non-financial reporting boundary covers the TCNS business, Pantaloons, OWND and subsidiaries including Sabyasachi, Tasva, Shantnu & Nikhil (S&N), House of Masaba, and Jaypore. The reporting boundary includes Indian operations as mentioned below.

Facility Type	Unit / Location Name
OFFICES (7)	**Pantaloons, Mumbai HO**
	ABFRL Corporate, Mumbai
	TCNS
	Tasva
	S&N
	Jaypore
	House of Masaba
SAMPLING UNIT (3)	**TCNS Sampling Unit**
	Sabyasachi Sampling Unit – Topsia
	Sabyasachi Sampling Unit – Active Business Unit
FACTORY (2)	**Sabyasachi- Kanak**
	Ankurhati Block B and C Block (Sabyasachi)
WAREHOUSES (6)	**Pantaloons West Warehouse**
	Pantaloons East Warehouse
	Pantaloons North Warehouse
	Pantaloons South Warehouse
	TCNS Warehouse
	Jaypore Warehouse

RETAIL STORES*

Brands	No. of stores	Area in sq. ft.
Pantaloon	342	57,76,398
HOM	20	30,272
Jaypore	41	76,163
S&N	20	29,130
Tasva	82	2,47,251
TCNS	324	3,66,901
OWND	79	5,91,026
Sabyasachi	3	50,504
Total	**911**	**71,67,646**

*The number of stores and area occupied are as of March 31, 2026, within the reporting boundary. *Reporting scope - Company owned and company operated stores are covered under scope 2 and Scope 1, water and waste not included from the stores

As ABFRL embarks on a new chapter as a focused fashion and retail enterprise, we continue to build on the strong sustainability foundation established over the years. Sustainability remains integral to our growth strategy, helping us strengthen brand relevance, enhance operational resilience and create long-term stakeholder value. Through our Sustainability 3.0 journey, we are embedding climate action, responsible products and inclusive growth more deeply across our business and brands, enabling us to navigate an evolving global landscape while advancing a more responsible, resilient and future-ready fashion ecosystem.

— **Dr. Naresh Tyagi**
Chief Sustainability Officer

Registered and Corporate office:

Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070

Independent Assurance

The standalone and consolidated financial statements in the Financial Statements section are independently audited by Price Waterhouse & co chartered accountants LLP. The non-financial sustainability data assurance is carried out by The British Standards Institution (BSI) group of India. The assurance was conducted as per International Standards on Assurance Engagements, ISAE 3000 (Revised) standards. Reasonable Assurance was obtained on BRSR core attributes issued by the Securities and Exchange Board of India (SEBI). Limited Assurance was obtained on the non-financial indicators with respect to GRI standards as listed in the Independent Assurance Statement annexed in the Integrated Report. Furthermore, this report has been reviewed by the Company's senior management to ensure clarity, reliability, and accuracy.

Forward-Looking Statement

This Report includes forward-looking statements concerning our business operations. The statements involve several risks and uncertainties as they are based on projections and industry trends, and the actual results can differ significantly from those anticipated. Business strategy, mitigation plans, and objectives mentioned are considered forward-looking and subject to change, except for historical facts and performance highlights.

Feedback

Your insights and feedback are valuable in helping us enhance the quality, relevance, and transparency of our disclosures. We welcome your views, suggestions, and comments on our performance and the contents of this Report, and encourage you to share them with us at naresh.tyagi@abfrl.adityabirla.com or reearth@abfrl.adityabirla.com and for more details refer to our website https://www.abfrl.com/.

*This Integrated Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. The organization will notify the GRI of this report and provide all required disclosures as per the GRI requirements.

GALERIES LAFAYETTE

Built on Trust — Building Brands with Purpose

Built on decades of consumer trust, we are shaping purpose-led fashion and lifestyle brands that celebrate self-expression, elevate everyday wear and occasion wear, support responsible choices, and create distinctive retail experiences across India's evolving fashion landscape.

Trust has been the cornerstone of Aditya Birla Fashion and Retail Limited's (ABFRL's) journey, shaping enduring relationships with consumers, partners, employees and communities. As we enter a new phase of growth following the demerger, we are evolving into a sharper, more focused fashion and lifestyle company, positioned to serve the diverse Indian fashion market. With a portfolio spanning large-format retail, designer-led ethnic wear, luxury labels, contemporary fashion and new-age digital brands, we continue to create innovative fashion solutions that reflect changing lifestyles, cultural moments, aspirations and individual identities.

"Built on Trust. Building Brands with Purpose." reflects our belief that enduring fashion brands are built not only through scale, reach and market presence, but through meaningful relevance in consumers' lives. Each brand in our portfolio is guided by a distinct purpose: to inspire self-expression, celebrate Indian craftsmanship, reimagine occasion dressing, deliver accessible style, elevate premium and luxury experiences, and make fashion more responsive to evolving consumer choices. From Pantaloons' role in democratising fashion retail, Jaypore's celebration of artisanal heritage, Tasva's modern interpretation of ethnic menswear, and Sabyasachi's luxury craftsmanship, to our digital-first brands designed for trend-conscious consumers, we are building deeper connections across every touchpoint.

Our purpose-led approach is strengthened by continuous investments in design capabilities, merchandise innovation, omnichannel retail, digital engagement, customer analytics and responsible business practices. As fashion cycles become faster and consumers seek more personalised, conscious and seamless experiences, we are embedding agility, creativity and sustainability into the way we design, source, retail and engage. This enables our brands to remain relevant across occasions, regions, channels and price points while supporting long-term value creation through stronger governance, operational discipline and consumer trust.

As we look ahead, trust remains our strongest fabric - and purpose our guiding thread. Building on a legacy of excellence and powered by a portfolio of distinctive brands, we are shaping the future of fashion and lifestyle retail in India by creating products, experiences and platforms that resonate with consumers and contribute positively to society. Together, we are building brands that inspire confidence, foster deeper connections, support responsible consumption, and create meaningful value for consumers, employees, artisans, partners, communities and shareholders.

Our Business At A Glance

OUR BUSINESS HIGHLIGHTS

Revenue
8,177 (₹ CR.)

Multi Brand Outlets
252

Total Store
1,273

Retail Footprint
7.9 (Million. Sq. ft.)

Shop-in-shop Counters
106

Includes stores in international markets

OUR CORE VALUES

- > Seamlessness
- > Passion
- > Speed
- > Commitment
- > Integrity

Aditya Birla Fashion and Retail Limited (ABFRL) is at the forefront of India's evolving fashion landscape, with a massive presence across over 900 towns and cities. Part of the Aditya Birla Group, headquartered in Mumbai, we operate a diversified portfolio spanning value retail, ethnic wear, luxury and digital-first segments.

The demerger marks the beginning of a transformative chapter for ABFRL, creating a more focused fashion and retail enterprise with sharper strategic priorities and greater agility to capitalize on India's evolving consumption landscape. Built on decades of consumer trust, brand equity and retail excellence, we are uniquely positioned to accelerate growth across high-potential segments including value retail, ethnic wear, luxury fashion and digital-first brands. Our diverse portfolio of over 20 iconic brands, extensive retail footprint and omnichannel capabilities enable us to serve consumers across lifestyles, occasions and aspirations while strengthening long-term brand relevance and market leadership.

OUR VISION

Our vision is to passionately satisfy Indian consumer needs in fashion, style, and value across wearing occasions in apparel and accessories through solid brands and a high-quality consumer experience, with the ultimate purpose of delivering superior value to all our stakeholders.

Our Retail Ecosystem We operate across India's dynamic retail landscape through a mix of exclusive brand outlets, multi-brand environments, digital channels and department store counters, enabling us to serve a wide array of consumer segments across urban and emerging markets.

OUR BUSINESSES AT A GLANCE

BUSINESS VERTICAL	BRANDS	
Value & Masstige Retail	Pantaloons, ownd!	
Ethnic Wear	Sabyasachi, Tarun Tahiliani, Masaba, Tasva, Jaypore, Shantnu Nikhil, Folksong, Aurelia, Elleven, Wishful, W	
Luxury & International	Galeries Lafayette Mumbai, The Collective	
Digital-First	TMRW	

Sustainability 3.0

JAYPORE

Sustainability 3.0: Advancing Responsible Fashion and Retail Growth

AS ABFRL ENTERS A NEW PHASE as a focused fashion and retail enterprise, Sustain-ability 3.0 strengthens our ambition to build brands that are not only admired for their style and innovation, but also trusted for the way they create value. Building on the strong foundations established through Sustainability 1.0 and 2.0, this next phase integrates sustainability more deeply into our brand strategy, retail operations, sourcing practices and consumer engagement, ensuring that growth and responsibility progress together. In an industry shaped by changing consumer aspirations, sustainability is increasingly becoming a differentiator for brands. Our diverse portfolio spanning value retail, ethnic wear, luxury and digital-first businesses enables us to connect with consumers who expect fashion that reflects both personal expression and responsible choices. Sustain-ability 3.0 aligns our 2030 goals and 2050 aspirations with the Aditya Birla Group's Purpose and Values, helping us strengthen brand relevance, enhance stakeholder trust and build resilience across our value chain.

Through this approach, we are focused on creating fashion businesses that are future-ready, driven by responsible sourcing, resource-efficient operations, ethical supply chains and conscious consumption. By embedding sustainability into the way we design, manufacture, merchandise and retail our products, we seek to create differentiated consumer experiences while strengthening the long-term value and purpose of our brands.

Our priorities are shaped by internal and external sustain-ability drivers that influence enterprise value, stakeholder expectations, and business resilience. These include:

- Customer and consumer expectations: Growing consumer preference for responsible and purpose-led brands.
- Access to financial capital: Increasing investor focus on sustainable and resilient businesses.
- Employee and community needs: Expectations around ethical sourcing, artisan livelihoods and employee well-being.
- Brand reputation and trust: Brand trust, reputation and consumer loyalty.
- Evolving regulatory and disclosure requirements: Evolving sustainability regulations and disclosure requirements.

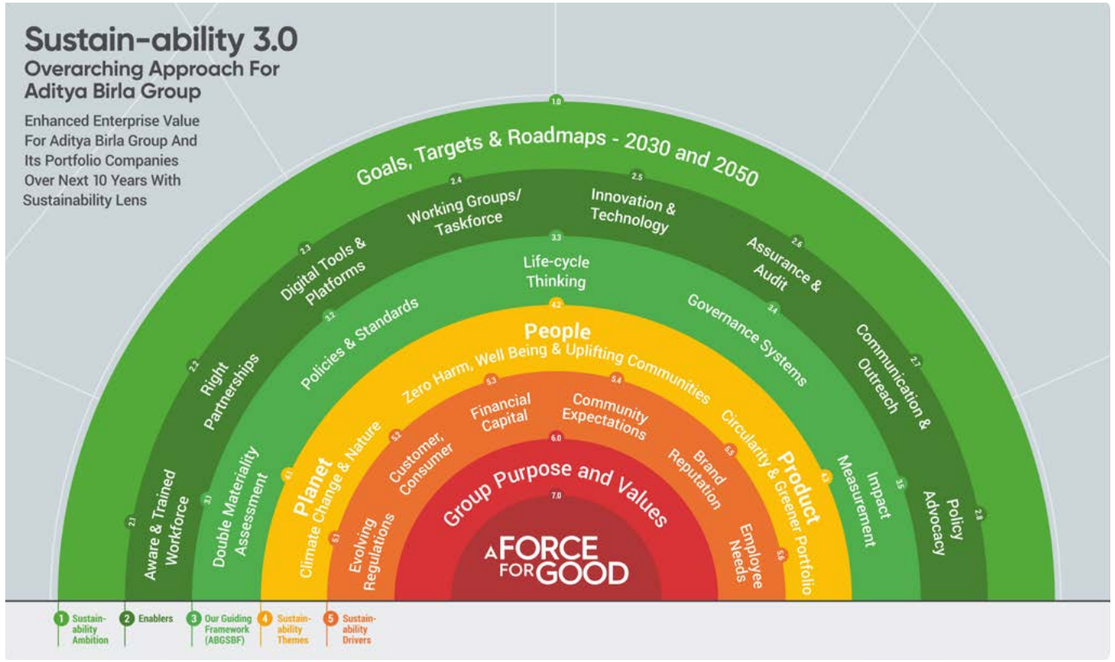
Together, these factors guide our sustainability agenda, enabling us to build stronger brands, create meaningful consumer connections and deliver long-term value while advancing a more responsible and sustainable fashion ecosystem.

Sustainability Themes

Our sustain-ability priorities are organised under three Group-wide themes:

Planet

We focus on reducing our environmental footprint and strengthening resilience. Key areas include climate action and decarbonisation, water stewardship, resource conservation, waste management, and the protection of nature and biodiversity.



People

Safety underpins all our business decisions. We promote physical and mental well-being across our workforce and value chains, with a continued focus on Zero Harm, inclusive workplaces, and responsible employment practices.

We also recognise our responsibility beyond the workplace. We work to uplift communities by strengthening local well-being, supporting livelihoods and skills, and partnering to create safer, healthier, and more resilient communities wherever we operate.

Product

We advance circularity through design, reuse, and recycling, improve material efficiency, and expand greener and more responsible product portfolios to meet evolving market expectations.

Transition towards Sustainability 3.0

BUILDING RESILIENT, PURPOSE-LED FASHION BRANDS

Aligned with the Aditya Birla Group's vision of creating sustainable businesses that deliver long-term value, ABFRL is advancing its sustainability journey to support its emergence as a focused fashion and retail powerhouse. In an increasingly dynamic global environment characterised by evolving consumer preferences, climate-related risks, supply chain disruptions, geopolitical uncertainty and changing regulatory expectations, we believe sustainability is a strategic lever for strengthening resilience, enhancing brand relevance and driving sustainable growth.

Our Sustainability 1.0 journey focused on establishing the foundations of responsible business practices. The emphasis was on strengthening governance, compliance, environmental management systems and resource efficiency across operations, creating the organisational discipline required to embed sustainability into business decision-making.

Building on this foundation, Sustainability 2.0 expanded the focus from operations to products and value chains. During this phase, we accelerated renewable energy adoption, strengthened responsible sourcing frameworks, enhanced ESG governance and disclosures, and integrated sustainability considerations into key business processes. This helped build operational resilience, improve stakeholder confidence and support the growth of our portfolio of fashion and lifestyle brands.

As we enter Sustainability 3.0, our ambition is to move beyond compliance and operational excellence towards creating competitive advantage through purpose-led growth. Sustainability is increasingly becoming a defining element of brand differentiation in the fashion industry, influencing consumer choice, investor confidence and long-term business performance. Accordingly, we are embedding climate action, responsible products and inclusive growth more deeply into our business strategy, operations and brand ecosystems.

This next phase focuses on building a more resilient and future-ready fashion business by integrating sustainability across the entire value chain, from product design, material selection and sourcing to manufacturing, retail operations, customer engagement and end-of-life considerations. We are strengthening our ability to respond to shifting market dynamics by reducing resource dependencies, improving supply chain resilience, expanding responsible sourcing practices and enhancing operational efficiency across our portfolio.

At the same time, Sustainability 3.0 positions our brands to respond to the growing demand for conscious consumption. By promoting responsible products, preserving traditional craftsmanship, supporting artisan communities and creating inclusive growth opportunities across our value chain, we are strengthening the social relevance and authenticity of our brands while creating shared value for stakeholders.

In a world marked by climate volatility, geopolitical uncertainty and rapidly changing consumer expectations, sustainability is increasingly becoming a critical driver of business continuity and resilience. It enables us to better manage risks, enhance adaptability, strengthen stakeholder trust and secure long-term competitiveness. Through Sustainability 3.0, we are not only reducing our environmental footprint but also building stronger brands, more resilient operations and deeper consumer connections, ensuring that ABFRL remains well-positioned to create lasting value while shaping the future of responsible fashion.

What Enabled the Transition

Our progress across governance, renewable energy adoption, responsible sourcing, safety systems, ESG disclosures, stakeholder engagement, and operational efficiency has created a strong foundation for the next phase of our sustainability journey. These efforts have strengthened organisational readiness and enabled us to scale sustainability from operational initiatives to enterprise-wide transformation.

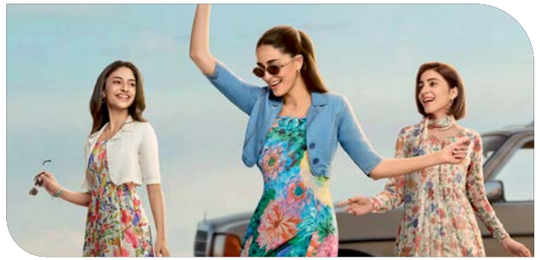
The Five Strategic Themes of Sustainability 3.0

1 Sustainable Brands

Building future-ready brands by integrating sustainability into brand purpose, consumer engagement, close-loop recycling initiatives, and measurable brand sustainability performance.

2 Product Stewardship

Driving responsible product ecosystems through sustainable



raw materials, circularity, responsible sourcing, and supply chain sustainability while strengthening product transparency and eco-labelling practices.

3 Net Zero & Decarbonisation

Advancing our climate ambition by driving science-aligned emissions reduction across operations and the value chain.

4 Health, Safety & Well-being

Strengthening a culture of safety through a zero-harm mindset, predictive and digital safety excellence, and continuous learning and workforce enablement. We are committed to creating safe, healthy, and inclusive workplaces that support the well-being and development of our people.

5 Social Impact

Enabling inclusive growth by investing in Education, Health & Sanitation, Sustainable Livelihoods, Water & Watershed Management, and Digitalisation, while enhancing the long-term well-being of the communities we touch.

We further strengthen our social impact through employee volunteering initiatives, encouraging our people to contribute their skills, time, and expertise towards creating meaningful connections and positive change within communities.

Looking Ahead – Ambition 2030

Sustainability 3.0 reflects Aditya Birla Fashion's ambition to lead the transition towards a more responsible, resilient, and future-ready fashion industry—creating long-term value for businesses, people, and the planet.

As we progress towards 2030, our focus will be on delivering measurable outcomes, accelerating innovation, and fostering collaboration across our value chain to ensure sustainability remains a key driver of growth, resilience, and stakeholder value creation.

OUR BUSINESS MODEL

OUR BUSINESS MODEL

INPUTS

Financial Capital

- **₹8,829.77 Cr.** Net Operating Expenses

Manufactured Capital

- **2** manufacturing facilities
- **6** Warehouses
- **7.9 Mn+** space for retail

Human Capital

- **21,737** Employees
- **2,89,084** total hours of training provided
- **4,559** Permanent employees Modifications in Health and Safety Management System
- **₹21.7** crore spent on employee benefits Modifications made in Health and Safety Management System

Intellectual Capital

- Centres of Excellence and Innovation
- Information Security Management System
- Incident Response Mechanism

Natural Capital

- **417.56** TJ energy consumption
- **19,962.59** KL water consumption
- Products sustainability attributes
- 100% recyclable plastic packaging

Social & Relationship Capital

- **₹2.83 Cr** spent on CSR activities
- Supplier Assessment

OUR VISION

- To passionately satisfy Indian consumer needs in fashion, style, and value across wearing occasions in apparel and accessories through solid brands and a high-quality consumer experience, with the ultimate purpose of delivering superior value to all our stakeholders.

OUR VALUES

- Seamlessness
- Passion
- Speed
- Commitment
- Integrity

STRATEGY & RESOURCE ALLOCATIONN

CORE BUSINESS FOCUS

1. Accelerated & Sustainable Revenue Growth

2. Margin Optimisation & Capital Efficiency

3. Deepening & Digitising Distribution Networks

4. Strategic & Purposeful Brand Investments

PERFORMACES

WE ARE A FASHION POWERHOUSE, OFFERING A DISTINGUISHED PORTFOLIO OF RENOWNED BRANDS AND RETAIL FORMATS, CATERING TO MULTIPLE HIGH-GROWTH SEGMENTS

- Product Design & Development
- Raw Material Sourcing
- Manufacturing
- Logistics, Storage & Packaging
- Marketing & Sales

pantaloons
SPARK YOUR IMAGINATION

- R1: Evolving Consumer • R2: Navigating through a low demand phase.
- R3: Data Security • R4: Thriving Workforce R5: Quality and Cost of retail space

OUR STAKEHOLDERS

- Suppliers
- Customers
- Employees
- Communities
- Government & Regulatory Bodies
- Investors
- Media

OUTLOOK

PROSPECT

- Deepening brand equity through purpose-driven innovation
- Premiumization 2.0 – redefining accessible luxury
- Embedding circularity and sustainability into the core
- Agile operating model with digitally enabled flexibility

RETAIL BRANDS

Masstige & Value Retail
Pantaloons
OWND

Ethnic Business
Sabyasachi
S&N
Tarun Tahiliani
TASVA
Jaypore
House of Masaba
TCNS

Luxury Retail
The Collective
Gallaries Lafayette
Ralph Lauren
Fred Perry
Ted Baker
Hackett London

Digital
TMRW

RISKS & OPPURTUITIES

- E1: Geo-economic confrontation • E2: Misinformation and Disinformation
- E3: Adoption to rapidly evolving AI Technologies

OUTPUTS

Emissions

- **374** tCO_2e Scope 1 emissions
- **92,350** tCO_2e Scope 2 emissions
- **7,83,300** tCO_2e Scope 3 emissions
- **129** tCO_2e emissions avoided

Waste

- **624.16 MT** Total Waste Generated
- **0.08** Waste Intensity (MT/ ₹ Crore)

OUTCOMES

Financial Capital

- **₹8,177 Cr.** revenue
- **₹967 Cr.** EBITDA
- Sustained business momentum
- Superior cash flows
- Strengthened balance sheet

Manufactured Capital

- **20+** Brands
- Sustainability attribute
- Expansion of retail footprint
- Increased Material Circularity
- Broadened Customer Reach
- Enhanced Product Accessibility

Human Capital

- **6,451** new hires
- **88** Employee engagement Index
- **34%** females in the total permanent workforce
- **0.06** LTIFR for permanent employees
- Strengthened talent pipeline
- Safe, inclusive and equitable environment
- Strengthen Employee Well-being

Intellectual Capital

- **1,171** Trademarks held
- **18** Patents filed
- Zero Cases of data breaches
- **25** Copyrights obtained Advanced Circular Fashion
- Promoted Product Innovation
- Accelerated Digitalization
- Strengthened Data Security

Natural Capital

- **2%** renewable energy consumption
- Solar energy consumption reached **1.82** lakh units
- **22%** water recycled
- **95%** products with at least one sustainable attribute
- Sustainable Packaging Adoption

Social & Relationship Capital

- **1,32,232** beneficiaries impacted through CSR activities
- **33** suppliers assessed for supplier sustainability index
- Crafted Unique Customer Experience
- Empowered communities
- Enhanced Sustainable Livelihood

CAPITAL	FINANCIAL CAPITAL	MAUFACTURED CAPITAL	HUMAN CAPITAL	INTELLECTUAL CAPITAL	NATURAL CAPITAL	SOCIAL & RELATIONSHIP CAPITAL
INTERLINKAGES WITH OTHER CAPITALS	MC, HC, IC, SRC, NC	FC, HC, IC, SRC, NC	FC, MC, IC, SRC	FC, MC, NC	FC, MC, IC, SRC, HC	FC, MC, HC
CONTRIBUTION TO THE BUSINESS FOCUS	› Strong Revenue Growth › Enhanced Profitability › Consistent Brand Investments	› Strong Revenue Growth › Enhanced Profitability	› Strong Revenue Growth › Enhanced Profitability	› Strong Revenue Growth › Enhanced Profitability	› Strong Revenue Growth › Enhanced Profitability › Strengthening Distribution Channels	› Strong Revenue Growth › Enhanced Profitability › Strengthening Distribution Channels
PRODUCT LIFE-CYCLE						
ALIGNMENT WITH UN SDGS						

Focused on priorities. Driven to going beyond.

FY 2025-26 marks a defining milestone in ABFRL's journey. Following the demerger of the Madura Fashion & Lifestyle business, ABFRL has emerged as a more focused fashion and retail company, uniquely positioned to capture opportunities across some of the fastest-growing segments of the Indian fashion market, including value retail, ethnic wear, luxury fashion and digital-first brands. The strategic rationale behind the demerger was clear, i.e. to create sharper business focus, improve capital allocation, accelerate decision-making and enable each business to pursue distinct growth pathways aligned with evolving consumer trends. Within this new structure, ABFRL is better equipped to leverage its differentiated portfolio, strengthen brand identities and deepen consumer engagement across multiple fashion categories.

India's fashion and lifestyle sector continues to be shaped by rising disposable incomes, increasing premiumisation, digital adoption and a growing preference for brands that align with consumer values. In this environment, competitive advantage is determined not only by product innovation and retail scale, but also by the ability to build trusted brands that remain relevant in a rapidly evolving marketplace. Our portfolio of iconic and emerging brands enables us to address diverse consumer aspirations across generations, occasions and price points while creating multiple engines of growth. Our strategic priorities are therefore centred on strengthening brand equity, expanding our omnichannel ecosystem, enhancing customer experience and driving profitable, sustainable growth across our businesses.

At the heart of our strategy is a commitment to building purpose-led brands. We believe that the future of fashion will be

shaped by companies that successfully combine style, innovation and responsibility. Sustainability is therefore no longer viewed as a standalone agenda but as an integral component of business strategy, brand positioning and enterprise resilience. Across our portfolio, we are embedding climate action, responsible sourcing, circularity principles and inclusive growth into the way we design products, manage operations and engage with consumers. By aligning sustainability with brand purpose, we seek to build deeper consumer trust while creating long-term value for all stakeholders.

As we embark on this next phase of growth, our focus remains clear: strengthening our leadership in Indian fashion, building brands with deeper purpose and creating a resilient business capable of delivering sustained value in an increasingly complex world. Guided by trust, powered by innovation and anchored in responsible growth, ABFRL is well-positioned to shape the future of fashion while creating meaningful value for consumers, employees, partners, communities and shareholders.

Leveraging the Megatrends to drive Innovation

Our transformational strategy is centred on embracing future possibilities while capitalising on opportunities today. We are actively leveraging key megatrends such as premiumisation and brand-led consumption, Gen Z and younger millennials, omnichannel retail, and digital enablement to build a more relevant, agile and future-ready lifestyle brands platform.

India's retail and fashion market is witnessing a clear movement towards premiumisation, driven by rising incomes, young demographics, greater technology adoption and increasing exposure to global brands. The shift is influencing how retailers approach product quality, brand positioning and customer experience. For apparel – brand image, trust, perceived quality, aspirational value and online buying are increasingly shaping customer purchase decisions.

Within ABFRL, this is reflected in the continued premiumisation of key formats such as Pantaloons, with a stronger focus on superior product quality, elevated store environments and enhanced customer experience. We are also recalibrating our retail footprint by prioritising larger, premium-focused stores across urban (metro and mini-metro) markets, alongside consolidating operations to improve productivity and profitability. This is further supported by the growing prominence of occasion-led dressing, particularly across wedding and celebration categories, where we have built a comprehensive and differentiated portfolio across price points. We continue to expand our presence across luxury, bridge-to-luxury and premium ethnic segments through brands such as Sabyasachi, Tarun Tahiliani, House of Masaba, Shantnu & Nikhil and TASVA, alongside the ongoing transformation of TCNS brands to strengthen their relevance in occasion wear.

With a scaled ethnic platform of over ₹2,200 crore in revenue and 680+ stores, we are well positioned to capture growth across high-value consumption segments.

The retail landscape is undergoing a significant transformation driven by a generational shift that is redefining how commerce is experienced, how value is perceived and how brands evolve. At the centre of this change is Gen Z: a digitally native, purpose-driven and highly influential consumer segment that is rapidly emerging as a key force in the market. Having grown up in a hyper-connected environment shaped by smartphones and social platforms, this cohort seeks more than products, prioritising personalisation, cultural relevance and seamless experiences across digital and physical touchpoints. For Indian and global retailers, this is a generational wake-up call to move beyond conventional formats and reimagine retail as dynamic, immersive, and socially connected.

At ABFRL, we are strengthening our engagement with younger consumers across our portfolio through relevant design, accessible price points and enhanced digital interfaces. This focus is reflected in the scaling of digital-first and value-led platforms such as TMRW and OWND, which are designed to capture trend-conscious, digitally native consumers through an omnichannel-first approach and rapid design-to-market capabilities. At the same time, we are leveraging our broader portfolio to build early consumer affinity and enhance lifetime value across younger cohorts, strengthening long-term growth.

The traditional distinctions between online and offline shopping experiences have blurred making omnichannel integration a strategic priority for apparel brands. Unlike multi-channel retailing, which operated through independent touchpoints, an omnichannel approach places the customer at the centre, enabling a cohesive, consistent and seamless experience across all channels. Retail journeys are increasingly becoming omnichannel, with consumers expecting seamless interactions across stores, e-commerce platforms and digital touchpoints. Research on omnichannel adoption in India identifies internet and smartphone penetration, changing consumer preferences, phygital shopping behaviour, AI-led personalisation, social commerce and supply chain optimisation as key drivers of this shift. A study focused on India's apparel market also highlights omnichannel retailing as a response to changing consumer behaviour, where multiple purchase pathways and consistent brand interactions are becoming central to customer experience.

Our omnichannel is a core pillar of our operating model, with increasing emphasis on deeper integration across physical stores, brand websites, marketplaces and supply chain systems. We are strengthening our ecosystem through investments in fulfilment capabilities, clienteling and digital infrastructure, enabling improved serviceability, faster delivery and better inventory utilisation. We also leverage digital channels as a growth engine and a test-and-learn platform to refine our product and format strategies before scaling offline. This integrated approach enables us to enhance customer experience, improve operational efficiency and drive scalable growth across our diverse portfolio.

The increasing convergence of technology, data and consumer engagement is reshaping competitiveness in fashion and lifestyle retail. Research on AI-powered personalisation in online fashion retail shows that AI-enabled recommendations, predictive analytics, chatbots and virtual assistance can improve customer experience, engagement and purchase decisions.

We are advancing a unified "One ABFRL" digital ecosystem, supported by shared platforms and an integrated technology backbone. Core systems such as SAP S/4HANA, Dynamics 365 POS/CRM and a centralised e-commerce stack provide a single view of customers, inventory and performance, while enabling seamless integration across brands. Additionally, advanced analytics and AI across the value chain to drive better decision-making across demand forecasting, merchandising, pricing and customer engagement, improving sell-through, working capital efficiency and conversion.

In parallel, AI and GenAI applications are accelerating design, content creation and go-to-market cycles, while our digital-first portfolio is scaling through data-led models and omnichannel capabilities to drive stronger engagement and improved unit economics.

Building on these megatrends, we continue to align our brand portfolio, product strategy and operating model with evolving consumer expectations and market dynamics. Through a balanced focus on premiumisation, relevance to younger consumers, omnichannel integration and technology-led execution, we are strengthening our ability to deliver consistent growth, enhance profitability and create long-term value across our portfolio.

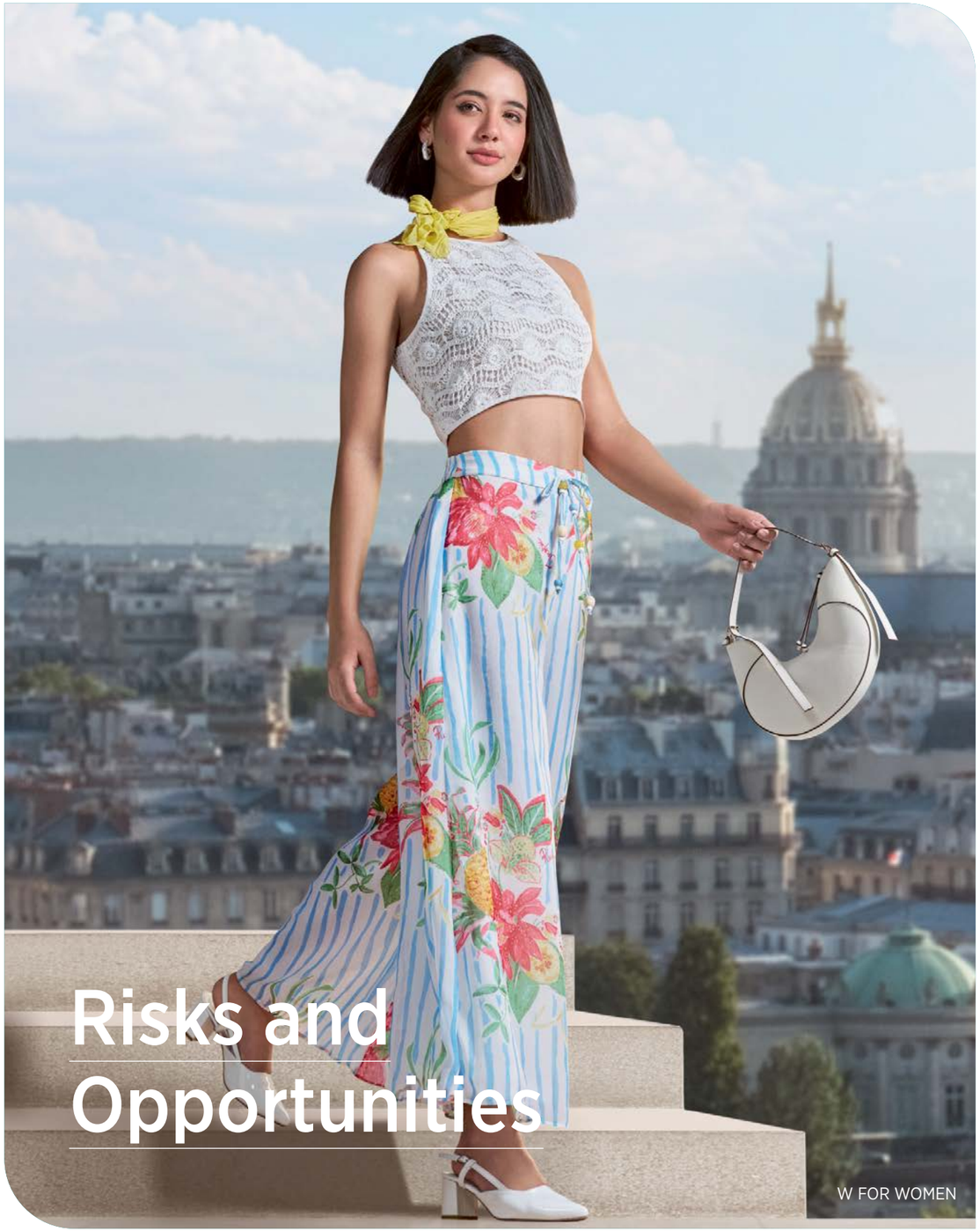
LEVERAGING THE MEGATRENDS TO DRIVE INNOVATION

Premiumisation

Gen Z & Younger Millenials

Omnichannel Retail

Digital Enablement



Risks and Opportunities

In today's increasingly complex and evolving business environment, uncertainty remains an inherent challenge. Recognising these complexities, organisations are required to navigate shifting market dynamics, regulatory changes, supply chain disruptions, and emerging threats such as geo-political tensions and climate change. At ABFRL, we adopt a proactive approach to risk management by embedding forward looking strategies that strengthen operational resilience. By anticipating potential risks, we enhance our ability to mitigate risks manage them effectively mitigate risks while adapting to evolving conditions and ensuring business continuity.

Risk Governance Structure

Our risk governance framework is anchored in the three lines of defense model, ensuring comprehensive oversight and accountability.

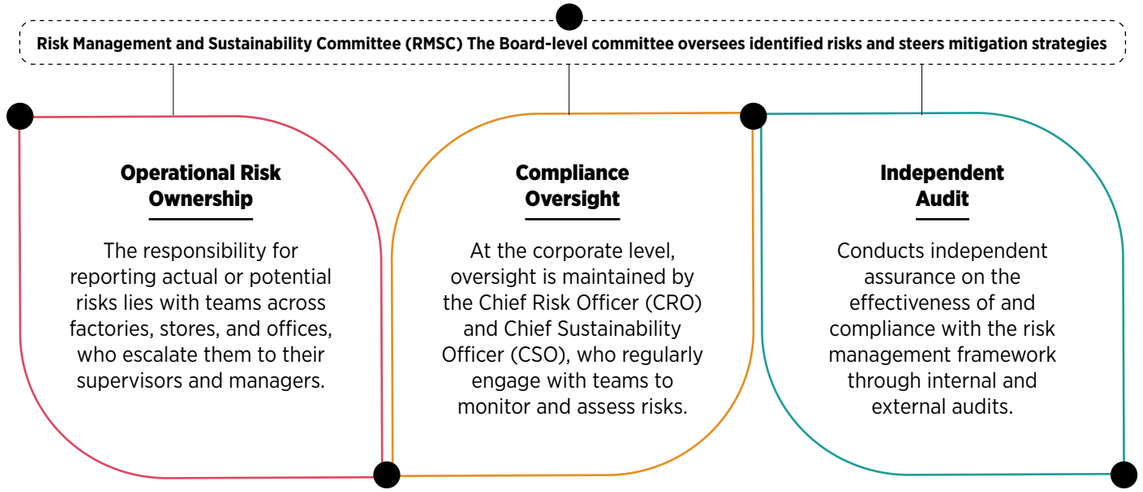
Under this model, responsibility for risk management is distributed across defined layers. Operational teams and business leaders form the first line, owning the identification and management of risks in day to day operations. The second line comprises dedicated risk and compliance functions at the senior management level, tasked to establish policies, define risk control frameworks, and monitor adherence to ensure risks are managed within defined boundaries. The third line is the independent internal audit function, which provides objective assurance on the effectiveness of risk controls, governance, and compliance practices across the organisation. Together, these layers enable coordinated oversight and strengthen our ability to manage risks effectively.

Risk Management Process

At ABFRL, we have underpinned a strategically aligned Risk Management Framework to proactively manage and mitigate business risks in alignment with COSO's enterprise risk management principles. Guided by our Risk Management Policy, a dedicated team ensures effective implementation, with continuous monitoring of emerging risks. The framework defines the company's risk appetite, the level of risk it is willing to accept for identified risks. Our independent assurance mechanisms further reinforce risk governance. We conduct annual internal audits to review adherence to risk management frameworks and compliance requirements, with additional evaluation of effectiveness and regulatory alignment by annual external audit.
The Board-level Risk management and Sustainability Committee actively exercises the oversight of this framework, ensuring strategic alignment and robust risk governance.

Risk Identification & Categorization

We systematically undertake a structured and rigorous evaluation of risks and classify them across strategic, operational, financial, environmental, and compliance-related domains,



considering their likelihood and magnitude. Through a detailed root cause analysis, we assess their potential implications on business operations, enabling prudent and data driven decision making.

Risk Assessment & Prioritisation

Once identified, risks are plotted on a heat map based on their likelihood and severity, and classified as high (red), medium (amber), or low (green). This approach helps prioritise actions and focus mitigation efforts to safeguard business resilience. We evaluate risks at both gross and net levels to refine our risk evaluation process. Gross risk represents the inherent exposure in the current business environment before controls are applied, while net risk reflects the mitigated impact after risk management actions.

Alongside direct risks, we also assess both upside and downside scenarios. Upside risk relates to missed opportunities for growth, cost savings, and innovation, while downside risk encompasses adverse negative outcomes such as financial penalties and regulatory non-compliance.

Mitigation and Control Measures

Building on the assessment outcomes, suitable risk control measures are put in place, with corrective actions embedded into standard operating procedures to prevent recurrence. This proactive approach strengthens organisational agility and supports effective response to evolving uncertainties.

Continuous Monitoring and Review

At ABFRL, our risk assessments are conducted at regular intervals, with urgent reviews undertaken as needed to address emerging risks and strengthen resilience. Where necessary, immediate reviews are conducted to ensure timely mitigation of potential risks. The framework is also subject to annual internal audits, supporting continuous improvement and readiness.

The Risk Management and Sustainability Committee meet twice a year to oversee the identification, assessment, and mitigation and provide strategic direction and oversight across the economic, social, and environmental risk dimensions. This includes reviewing risk exposure and ensuring a structured response to emerging challenges.

Increasing Risk Awareness

As part of ongoing board and committee meetings, independent and non executive directors are regularly apprised of key developments through structured presentations covering business operations, strategy, risk management framework, industry trends, and regulatory updates. Additionally, risk focused sessions are also conducted for the Board whenever significant revisions occur and is further extended to functional heads of new businesses to ensure a strong understanding across leadership.

As a part of the onboarding process, employees undergo comprehensive training on key risk areas such as safety, sustainability, information security, and legal compliance. This is further supplemented by role specific training programmes, including occupational health and safety for relevant teams, reinforcing a culture of proactive risk management throughout the organisation.

Through regular engagement with stakeholders, the governance body gains insights and feedback that help in understanding the concerns and expectations of various stakeholders.

THE RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE MEET TWICE A YEAR TO OVERSEE THE IDENTIFICATION, ASSESSMENT, AND MITIGATION AND PROVIDE STRATEGIC DIRECTION AND OVERSIGHT ACROSS THE ECONOMIC, SOCIAL, AND ENVIRONMENTAL RISK DIMENSIONS.

This process ensures that the governance body remains well-informed about the potential impacts and associated risks. By incorporating stakeholder perspectives, the governance body can make more informed decisions, effectively manage risks, and seize opportunities that align with stakeholder interests and contribute to sustainable development. Inputs from respective process owners who provide quarterly risk updates help identify potential risks that they may perceive. In addition, clear mechanism for reporting value violations, ethics non-compliance and whistle blower policies are in place encouraging employees to report any risks they may observe through these channels.

Integrating Risk Management in Product Development

Product development at ABFRL follows a structured process that incorporates risk management at every stage, enabling innovation while addressing potential risks. Through cross functional collaboration, we co develop concepts and designs, drawing on diverse perspectives to strengthen product viability. By embedding risk considerations throughout development, we ensure our products remain robust, efficient, and aligned with business priorities and market needs.

More details on identified risks, corresponding mitigation measures, and emerging opportunities are provided in the 'Management Discussion and Analysis' section of the report.

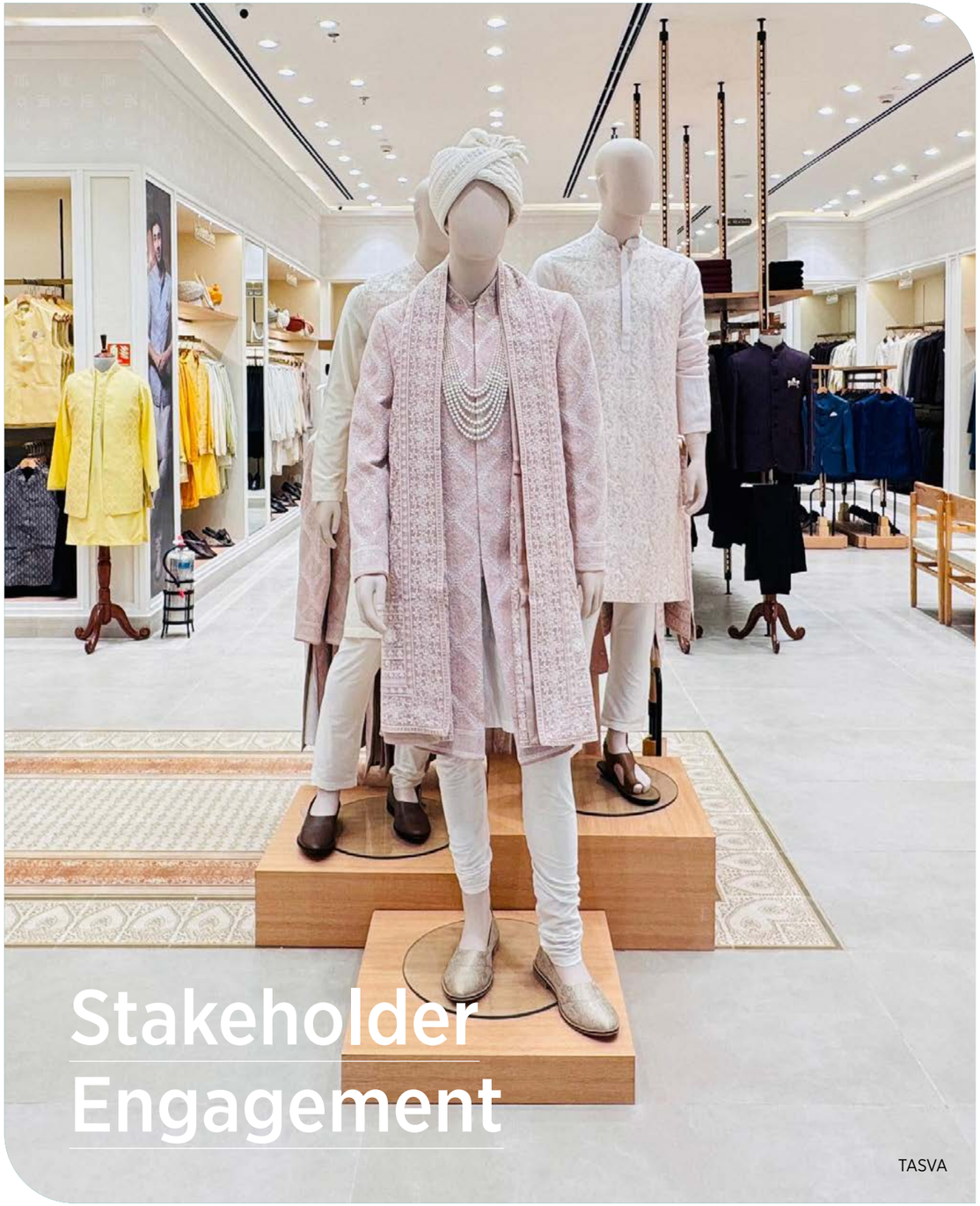
KEY RISKS

S. NO.	IDENTIFIED RISKv	RISK CATEGORY	SIGNIFICANCE AND IMPACT	MITIGATION ACTIONS	RISK EXPOSURE
1	Macro-risk	Economic risk	Ongoing volatility in global markets, together with expected inflationary pressures and rising domestic household debt, continues to dampen consumer sentiment and may lead to softer spending trends. This may impact sales growth, place pressure on margins, and result in inventory build up.	We seek to mitigate the impact through a resilient operating model, disciplined cost management and agile business planning. Our company focuses on maintaining flexibility across pricing, sourcing, inventory and channel strategies to respond effectively to changing market conditions. A balanced portfolio across categories, occasions, consumer segments and price points also helps reduce dependence on any single demand pool and supports greater resilience during periods of macro volatility. In addition, we continue to strengthen its supply chain, improve working capital discipline, manage inventory prudently and calibrate expansion based on market conditions. These measures help our Company to protect margins, preserve consumer relevance and navigate short-term macro headwinds while continuing to pursue sustainable long-term growth.	Medium after mitigation
2	Evolving consumer	Economic risk	Changing consumer preferences and evolving lifestyles, along with the influence of emerging technologies, are reshaping the way consumers discover and purchase products. Rising fashion awareness across different socio economic segments is expected to further influence future consumption patterns. These shifts may result in inventory build up, pressure on margins, and potential impact on market share.	We have a highly diverse portfolio, and our focus is on strengthening its relevance through enhanced digital capabilities, customer-centric innovation and sharper execution across brands and categories. Our approach is centred on meeting the evolving needs of consumers across occasions, segments and price points. This includes the introduction of new product lines with improved design, enhanced aesthetics and stronger consumer appeal, along with category expansions. These initiatives enable us to cater to a wider range of consumer preferences while building a more resilient and future-ready portfolio. A key focus area is maintaining a compelling price-value equation. By balancing aspiration with accessibility, we seek to improve consumer relevance, strengthen loyalty and support sustainable growth.	Low after mitigation
3	Data Security	Technological risk	The risk of data security remains high with our increasing use of digital platforms and customer data. Any data breach can result in financial loss, disrupt business operations, and impact brand credibility. It can also affect the functioning of critical systems and weaken stakeholder confidence.	We have a robust cybersecurity framework and have implemented Disaster Recovery (DR), Business Continuity Planning (BCP), Data Loss Prevention (DLP), and Security Information and Event Management (SIEM) technologies. We also regularly monitor, provide training to employees and create awareness regarding incident reporting to address vulnerabilities effectively	Low after mitigation

Emerging Risks

The increasingly dynamic business environment presents emerging risks, from climate change and economic instability to environmental disruption. Our approach involves identifying and assessing potential risks to our operations. By staying ahead of these risks, we ensure resilience through prevention and mitigation strategies, safeguarding business continuity and long-term sustainability.

RISK	DESCRIPTION	IMPACT	MITIGATION STRATEGY
GEOECONOMIC CONFRONTATION	Deployment of economic levers by global or regional powers to reshape economic interactions between nations, restricting goods, knowledge, services or technology with the intent of building self-sufficiency, constraining geopolitical rivals and/or consolidating spheres of influence. These leads to significant increase in the prices of the exports, impact the availability, costing and movement of raw materials.	Geoeconomic confrontation can disrupt supply chains through tariffs, sanctions, and trade restrictions, leading to higher sourcing costs and limited access to materials and suppliers. This may impact inventory availability, delay product launches, and pressure margins in a competitive retail environment.	As part of our focus on supply chain resilience, we are building stronger partnerships with MSME suppliers, Indian vendors, and nearby manufacturers to support localised sourcing. Additionally, we are incorporating fibres made in-house by the Aditya Birla Group, such as Birla Cellulose LIVA Eco Fibre, reducing dependence on external suppliers and reinforcing production continuity.
MISINFORMATION AND DISINFORMATION	There is a risk of false or misleading information relating to product quality, brand authenticity, responsible sourcing, sustainability claims, and circularity initiatives. In a digital-first retail environment, such information can spread rapidly and influence consumer sentiment and purchasing behaviour. Proactive communication, transparency, and responsible marketing are essential to safeguard stakeholder trust.	Misinformation and disinformation can affect consumer trust, damage brand reputation, and disrupt customer loyalty. Misleading narratives around product attributes, sourcing practices, sustainability performance, or circularity initiatives may result in stakeholder confusion, allegations of greenwashing, regulatory scrutiny, and legal consequences. Brand impersonation and fabricated content may also influence purchasing decisions and dilute brand identity.	We uphold responsible marketing practices by ensuring transparency, accuracy, and fairness across customer communications. Product, sustainability, and circularity claims are appropriately reviewed and supported by relevant evidence. We monitor digital channels for misleading content and brand impersonation and take corrective action, where required. Clear product labelling and consistent communication help safeguard consumer trust and reinforce brand integrity.
ADOPTION TO RAPIDLY EVOLVING AI TECHNOLOGY	The rapid evolution of AI technology presents opportunities to enhance operational efficiency, innovation, decision-making and customer experience. However, keeping pace with emerging capabilities requires timely adoption, reliable data, appropriate infrastructure, skilled resources and effective governance. Delayed or ineffective adoption may limit the ability to realise business value and remain competitive in a rapidly changing retail environment.	Gaps in the adoption and integration of AI across merchandise planning, markdown management, design assistance, e-commerce automation and customer engagement may result in missed opportunities, process inefficiencies and reduced competitiveness. Inadequate system integration, employee readiness or oversight may also affect output accuracy, operational reliability and decision-making, leading to financial and reputational risks.	We follow a structured approach to AI adoption, supported by robust governance, human oversight and data protection controls. AI solutions are evaluated for business relevance, accuracy, reliability and security before deployment, with appropriate oversight maintained during their use. Employee training, capability-building and assessment of emerging technologies support the responsible, secure and effective adoption of AI.



Stakeholder Engagement

TASVA

At ABFRL, stakeholder engagement is a strategic enabler of long-term value creation, reflecting the diverse and evolving nature of our businesses across value retail, ethnic wear, luxury and digital-first segments. We engage proactively with a wide range of stakeholders across our value chain through structured, inclusive and insight-driven mechanisms, in alignment with our Stakeholder Engagement Policy. This ongoing engagement enables us to better understand stakeholder priorities, proactively manage risks, and integrate sustainability considerations into our business strategy, while strengthening trust and fostering meaningful collaboration.

By consistently incorporating stakeholder insights, we ensure that our strategies remain responsive, inclusive and focused upon long-term value creation.

We engage with key stakeholder groups, including investors, employees, customers, suppliers, regulatory bodies, media and communities. Through targeted engagement initiatives, we gather actionable insights that help shape our business priorities while ensuring alignment with evolving stakeholder expectations. We follow a three-tier approach to stakeholder engagement:

OUR APPROACH TO STAKEHOLDER ENGAGEMENT

Identify and Prioritise Stakeholders

- Identify and categorise internal and external stakeholders according to the nature of the relationship, activity or product and service.
- Prioritise stakeholders based on several factors including influence, impact, interest and level of engagement.

Engage with Stakeholders

- Engage with stakeholders through emails and meetings, website, newsletters, policy advocacy, employee feedback, workshops, phone interviews, surveys etc.

Understand Expectations and Develop Action Plans to Address Their Concerns (if any)

- Identify stakeholders' key concerns, analyse and prioritise their insights. Map their expectations to our ESG strategy and material topics based on stakeholder consultation and secondary research

OUR STAKEHOLDERS

Stakeholder	Whether identified as a vulnerable or marginalised group	Significance of relationship	Channels of Engagement and Frequency	Key Expectations from Stakeholders	Our Approach
Suppliers	No	Suppliers provide us with raw materials, textiles and finished goods that define the quality of our products. Suppliers are strategic partners in influencing the brands' reputation, product quality, cost, reliability and sustainability.	• Periodic vendor communications • Supplier meets/summits • Corrective action plans formation post-supplier assessments, including capacity building • **Frequency of Engagement Continual**	• Business continuity • Capacity building • Timely payment • Good deals/pricing • Integration of sustainability aspects across the supply chain	• Supplier Code of Conduct • Sustainable Supply Chain and Procurement Policy • ESG screening and assessment of suppliers • Supplier development • Priorities procurement from local suppliers and women entrepreneurs
Investors	No	Investors provide financial resources to achieve long-term business growth and stability.	• Annual report • Annual general meeting • Company website • Analyst calls • Investor meets and roadshows • Press releases • Communication from stock exchanges • SEBI's registered registrar and transfer agents • **Frequency of Engagement Continual**	• Performance and growth with respect to revenue and market share • Capital allocation to investments for improved environmental performance • Product and Process innovation • Internal and external communication about sustainability practices • Effective risk management • Transparent business practices	• Regular updates on operational and business performance • Focus on cost optimisation and product/ process innovation • Emphasis on sustainable products and packaging • Enterprise risk management framework • Corporate governance framework
Employees	No	Employees are the driving force behind our company's success. Their efforts ensure the smooth functioning of business, customer satisfaction and long-term growth.	• Mails • Intranet portals • Grievance redressal mechanism • Vibes Survey • Employee engagement and wellness programmes • Townhalls • Employee Feedback session • **Frequency of Engagement Continual**	• Fair Wages and equal opportunities • Skill enhancement and career growth • Employee well-being • Rewards and recognition • Occupational health and safety	• Timely salary payments and ensuring minimum wages for all • Zero tolerance for harassment and discrimination at the workplace • Learning and development programmes through ABFRL University, Gyanodaya, ABFRL Digital Academy, etc. • Physical, emotional and financial wellness programmes • Robust rewards and Recognition programmes • Safe working environment • Health and safety training and awareness programmes

OUR STAKEHOLDERS

Stakeholder	Whether identified as a vulnerable or marginalised group	Significance of relationship	Channels of Engagement and Frequency	Key Expectations from Stakeholders	Our Approach
Customers	No	Customers are key to business growth as they are the drivers of sales and revenue.	• Interactions at stores • Social media interactions • Online and mobile initiatives • Customer satisfaction surveys • Customer feedback mechanisms • **Frequency of Engagement Continual**	• Post-sales support • Quality and Sustainable Products	• Ensuring product quality • Openness to feedback • Prioritising customer satisfaction • Timely resolution of queries/ grievances • Focus on sustainable products and packaging
Media	No	Media drives business growth and increases visibility by projecting our vision and strategy to stakeholders.	• Press releases • Media interactions • PR agency partnerships *Frequency of Engagement: Continual*	• Transparent communication	• Regular communication through press releases, interviews, etc.
Community	Yes	Community engagement enhances brand reputation and strengthens our commitment to upholding a social license to operate.	• Community needs assessment surveys • Disaster management workshops • Community visits • Satisfaction surveys • Meetings with community heads • Community development programmes • Impact assessment • **Frequency of Engagement Continual**	• Community development • Livelihood and Employment opportunities • Improvement in overall living standards • Access to clean water and sanitation	• Community infrastructure development • Focus on providing quality education • Focus on providing skill development and livelihood opportunities • Health camps and awareness sessions • Promote digital literacy
Government and Regulatory Bodies	No	Government and Regulatory Bodies monitor and regulate our business operations, ensuring legal compliance	• Annual Reports • Communication with regulatory authorities • Mandatory filings with regulators (including SEBI) • **Frequency of Engagement Continual**	• Compliance with laws and regulations	• Ensuring compliance with laws and regulations • Regular payment of taxes

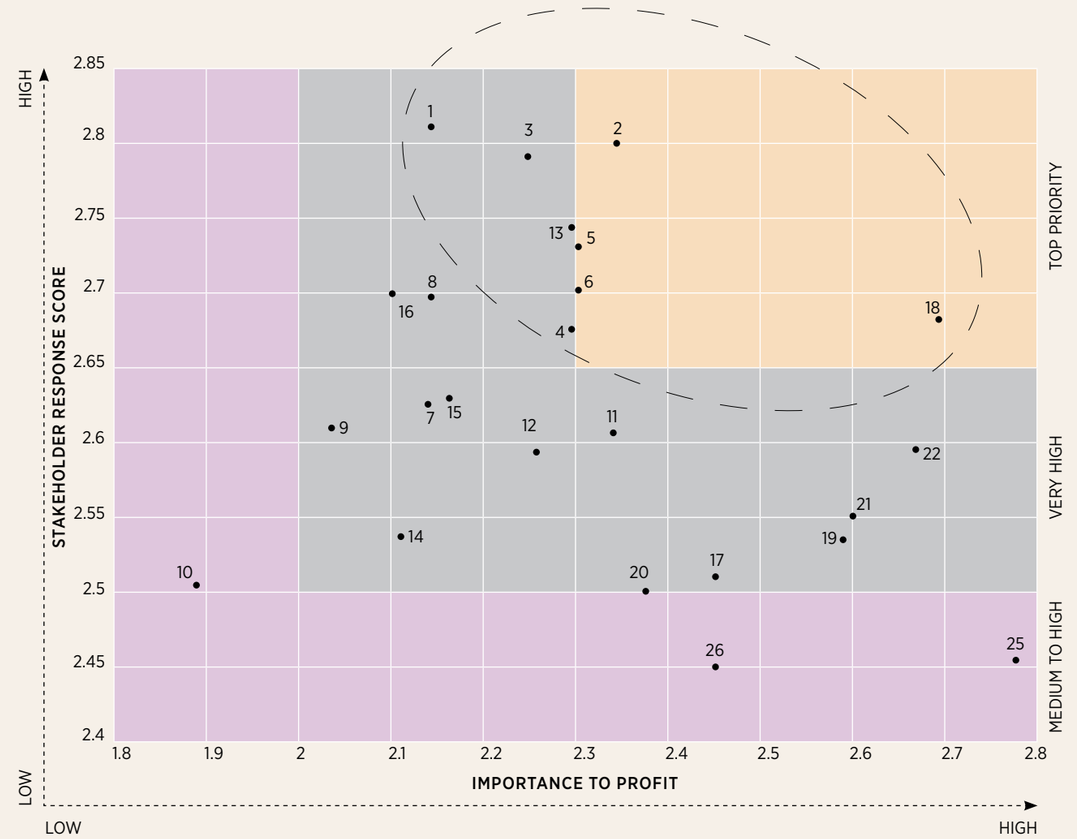
Recognising the significance of risks, opportunities and sustainability impacts, we undertook a comprehensive double materiality assessment in FY 2023–24. We review our material topics annually to remain responsive to evolving business landscape and stakeholder expectations. To ensure our material topics remain closely aligned with evolving business objectives and stakeholder priorities, we have initiated a detailed materiality assessment, which will be completed in FY 2026–27.

The assessment process involved engagement with a broad range of internal and external stakeholders, including senior management, employees, customers, academia, industry bodies, CSR partners, investors, suppliers, franchisees, and service providers. Through this engagement, we identified actual and potential impacts of our business activities on the economy, environment, and society.

The approach was supported by sectoral research, market intelligence, and peer benchmarking to evaluate impacts across the short, medium, and long term. Using structured qualitative methodologies, material topics were systematically mapped on a materiality matrix to enable prioritisation and strategic alignment.

The outcomes of the assessment were reviewed and approved by the Board of Directors and further validated by an independent third party. The identified material topics have since been integrated into our Risk Management Framework, ensuring a coordinated and proactive approach to addressing key sustainability priorities.

OUR MATERIALITY



No.	Material Topic
1	Climate Change
2	Resource Management – Energy and Water
3	Waste Management
4	Circular Economy
5	Sustainable Product
6	Sustainable Packaging
7	Sustainable Raw Material
8	Sustainable Supply Chain
9	Land Use Change and Biodiversity
10	Animal Welfare
11	Employee Well-being and Labour Practices
12	Human Capital Development
13	Occupational Health and Safety

No.	Material Topic
14	Diversity, Inclusion and Equal Opportunity
15	Corporate Social Responsibility
16	Human Rights
17	Customer Satisfaction and Relationship Management
18	Product Quality and Safety
19	Corporate Governance
20	Disclosure and Transparency
21	R&D and Innovation Management
22	Digitalisation and Automation
23	Data Privacy and Security
24	Competitive Positioning
25	Economic Performance
26	Stakeholder Engagement and Management

OUR MATERIAL TOPICS					OUR MATERIAL TOPICS			
Material Topic Identified	**Risk or Opportunity**	**Rationale for Identifying Risk/Opportunity**	**Actions to Mitigate the Risk/ Capitalise on the Opportunity**		**Financial Implications**	**GRI Mapping**	**KPIs**	**Capital Linkage**
Resource management Energy and water	Opportunity and Risk	The fashion industry, known for its high levels of waste, pollution, and resource consumption, is seen as a major contributor to climate change. Excessive and inefficient use of resources can lead to higher operational costs, regulatory penalties, and negative environmental impacts, damaging brand reputation. However, efficient resource usage and focus on raw materials and processes with lower environmental impact can result in cost savings, increased customer loyalty, the opening of new market segments and a stronger brand image.	We are redesigning our products to increase wardrobe life, reduce environmental impact and enable reuse at their end-of-life stage. Through our Sustainable Attributes, Sustainable Supplier Index and global assessment frameworks such as the Higg Index, we integrate sustainability across product life cycle and value chain. We also strengthen resource efficiency across operations through energy and water management measures such as solar rooftop systems, biomass briquettes, EV forklifts, rainwater harvesting, reuse of treated water from STPs, water-efficient fixtures and water positive projects.		Positive	GRI 302: Energy 2016 GRI 303: Water and Effluents 2018	• Energy consumption within and outside the organisation • Energy Intensity • Reduction of energy consumption • Water withdrawal • Water discharge • Water consumption	Natural Capital
Climate Change	Risk	The carbon footprint of a garment largely depends on the material. While synthetic fibres like polyester have less impact on water and land than grown materials like cotton, they emit more greenhouse gases per kilogram. It is crucial to effectively manage emissions from across the value chain to limit the potential negative impact of climate change	We have adopted various initiatives across Scope 1 & 2 emissions and initiated dialogue with stake-holders for mitigating Scope 3 emissions across the value chain. We are enhancing the share of re-newable energy and reducing our carbon and water footprint at both facility and product levels to effectively address climate change and its impacts. We have a target to utilise renewable energy to run all of our operational facilities and achieve a 5.5% YoY reduction in Scope 1 & 2.		Negative	GRI 305: Emissions 2016	• Scope 1, 2 and 3 emissions • GHG emissions intensity • Reduction of GHG emissions • Emissions of ozone-depleting substances (ODS)	Natural Capital
Waste Management and Circular Economy	Risk	The repercussions of fast fashion are multi-faceted and need to be monitored closely. It contributes to significant pollution, resource depletion, and textile waste, with vast amounts of clothing ending up in landfills, leading to increased scrutiny from regulators. It becomes crucial to effectively manage this waste and adopt the circular economy approach to maintain a positive brand image and gain customer loyalty.	We continued to accelerate the transition from linear to circular models by integrating circular principles in our own operations and across the value chain. We are aiming to achieve 'Zero Waste to Landfill' by 2030. The entire non-hazardous waste in our facilities is either recycled or reused, and a small quantity undergoes composting, which is used as bio manure for farming. Our collaboration with Germany's GIZ focuses on material innovation, reducing inputs of harmful substances, increasing textile-to-textile recycling, developing alternatives to plastic packaging, and fostering traceability. We have undertaken a commitment to recycle or upcycle 10% of products by volume		Negative	GRI 306: Waste 2020	• Waste generated • Waste diverted from disposal • Waste directed to disposal	Natural Capital

OUR MATERIAL TOPICS

Material Topic Identified	Risk or Opportunity	Rationale for Identifying Risk/Opportunity	Actions to Mitigate the Risk/ Capitalise on the Opportunity	Financial Implications	GRI Mapping	KPIs	Capital Linkage
Sustainable Product	Opportunity	There is a growing consumer demand for responsibly produced clothing. By adopting sustainable practices, we can attract and retain eco-conscious customers and enhance our brand loyalty and reputation. Through product and process innovation, we can help lower the environmental footprint of our products across own operations and value chain.	We embed sustainability into the design and development of products through a 'clean by design' approach and enhancing the sustainability attributes of the products by adopting alternate materials, including recycled fibres, eliminating single-use plastic, and deploying sustainable production processes and procurement practices across value chain	Positive	GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016	• Garments with sustainable attributes, Suppliers assessed with ESG parameters	Intellectual Capital, Natural Capital, and Social and Relationship Capital
Product Quality and Safety	Opportunity	Product quality and safety can help us gain a competitive edge in the market. High-quality, safe products foster consumer trust and loyalty, enhancing brand reputation and encouraging repeat purchases.	Suppliers play a crucial role in ensuring the quality of the final product. We have implemented a Quality Management System to ensure high-quality products. We undertake the Vendor Quality Performance Index (VPQI) and Quality Index Number (QIN) to assess supplier product quality, delivery standards and conduct regular training sessions with the frontend channel and distribution network partners	Positive	GRI 416: Customer Health & Sfety 2016 GRI 417: Marketing and Labelling 2016	• Products assessed on health and safety impacts • Non-compliance concerning the health and safety impacts of products • Information and labelling • Marketing communications	Social and Relationship Capital
Occupational Health and Safety	Risk	Warehouse and distribution operations are at a higher risk of incidents due to material handling, storage activities, equipment movement, and other workplace hazards with improper health and safety measures causing delirious effects on the health and safety of the workforce.	Our safety management system framework takes reference from Aditya Birla Group Technical Standards, adhering to all the national and international standards and regulations on health and safety. We have implemented a comprehensive OHS Policy across all operations and have established a robust safety governance at our warehouses, and regional and corporate offices to monitor our safety performance.	Negative	GRI 403: Occupational Health and Safety 2018	• Work-related injuries, • Work-related ill health	Human Capital

MANAGEMENT OF TOP THREE MATERIAL TOPICS

Material topic	Impacts identified	Associated Target	Output Metric	Impact Metric
Climate Change	• Shifting to renewable energy and carbon-neutral operations helps protect vulnerable ecosystems and strengthens brand trust among environmentally conscious consumers • High energy usage and increase in emissions across the value chain negatively impacts the environment and society leading to pollution and detrimental impacts on the health of the local community. • Causes of the impact: Operations, Products, and Supply Chain Under this, add the following as bullet:- • Impact areas evaluated: Environment, Society, Consumers, contractual employees, suppliers	• To achieve net zero emissions by 2050 in line with group commitment • To reduce absolute Scope 1 and 2 emissions by 54.6% by FY 2032-33 from the FY 2022-23 baseline • To reduce Scope 3 emissions by 32.5% by FY 2032-33 from the FY 2022-23 baseline	• Emissions avoided • Energy conserved • Renewable energy consumed	• % reduction in emission intensity • Low-carbon energy share increase to 2% through the addition of renewable power capacity
Waste Management and Circular Economy	• Using recycled/ recyclable packaging materials can reduce the waste generated and improve resource efficiency • Improper waste management can contribute to landfill overflow and environmental degradation, negatively affecting nearby communities • Causes of the Impact: Operations, Products and Supply Chain Under this, add the following as bullet :- • Impact areas evaluated: Environment, Society, Consumers, Contractual Employees, Suppliers	• To achieve zero waste to landfill with 100% traceability across all owned operations and facilities by 2030 • To use 100% sustainable packaging materials by 2030	• % recyclable packaging used • Waste diverted from disposal • Waste directed to disposal	• % reduction in waste intensity • % waste recycled

MANAGEMENT OF TOP THREE MATERIAL TOPICS

Material topic	Impacts identified	Associated Target	Output Metric	Impact Metric
Sustainable Product	• Integrating organic and recycled materials benefits environmental ecosystems and meets consumer demand for sustainable fashion • Procuring resource intensive products made from virgin materials can lead to increased pollution and puts undue strain on the suppliers Cause of the impact: Operations, Products and Supply Chain Under this, add the following in bullet :- Impact areas evaluated: Environment, Society, Consumers, Contractual Employees, Suppliers	• To incorporate at least one sustainable attribute in 100% of garments by FY 2030	• % of products with at least one sustainable attribute •% certified material used	• Increase in recycled materials used leading to low environmental impact

TARGETS 2030

Product Stewardship	
Sustainable Attribute	100% Garments with 1 attribute 100% Garments with 2 attributes
Sustainable Packaging	100% Sustainable Packaging
Vendor Code of Conduct	All T-1 vendor to adhere to VCoC
Sustainable Raw Material	10% Sustainable/certified raw material
Occupational Health & Safety	
Fatality	Zero Harm - No incident of 'Category 5' at our premises
Environment	
Energy	50% Renewable Energy across owned facilities
Water	Water Neutral across owned facilities
Waste	Zero Waste to landfill 100% waste traceability across owned facilities
Green Building	100% new sites to minimise the environmental impacts from our built environment by pursuing green building certification
Carbon Emissions	Scope 1 & 2: 5.5% reduction Y-o-Y Scope 3: 3.5% reduction Y-o-Y

Financial Capital

Scale up investments and leverage deep consumer connect and established partnerships to capitalize on the emerging opportunities

PANTALOONS

FOCUS AREAS

Embarking on the next phase of growth with two independent growth engines › **Strengthening our core businesses while capturing emerging fashion consumption themes** › **Strategic capital allocation tied to business' phase of evolution**

CONTRIBUTION TO UN SDGS ›

8 DECENT WORK AND ECONOMIC GROWTH

KEY HIGHLIGHTS

₹8,177 CRORE	₹967 CRORE	11.8%
REVENUE	EBITDA	EBITDA MARGIN*

*EXCLUDES LABOUR CODE IMPACT

INTERLINKAGE WITH OTHER CAPITALS ›

- Manufactured Capital
- Intellectual Capital
- Human Capital
- Natual Capital
- Social and Relationship Capital

At ABFRL, financial capital forms the backbone of our business model. Our endeavor is to create a robust and dynamic financial structure to support sustainable growth and long-term value creation.

Following the successful completion of the vertical demerger of the Madura Fashion & Lifestyle business, ABFRL has entered a new phase of its journey, focused on unlocking and capitalising on emerging opportunities across high-growth segments, each backed by a large to significantly large total addressable market.

Our company continues to build brands and deepen leadership with brands that cater to a wide fashion spectrum across price points, occasions and segments. We remain committed to drive scale and profitability across our businesses by strengthening our core businesses while nurturing emerging businesses to become future growth engines.

Our portfolio is divided into four broad areas:

- **Masstige and Value Retail:** A leader in the value and masstige segments, driven by a strong two-brand strategy through Pantaloons and OWND, each catering to distinct customer segments.
- **Ethnic Brands:** A comprehensive ethnic portfolio featuring leading designer collaborations with Sabyasachi, Tarun Tahiliani, Shantnu & Nikhil and House of Masaba, along with premium ethnic brands such as Tasva, W, Aurelia, Folksong, Elleven, Wishful, and Jaypore
- **Digital first Brands:** A leading portfolio of Digital first brands – Bewakoof, TIGC, Wrogn, Nobero, Urbano, Veirdo - who are category leaders and category creators enabled by TMRW's Centre of Excellence (COE)
- **Luxury Retail:** A fast-growing bridge to luxury & luxury platform of The Collective, Galeries Lafayette & select mono brands

ECONOMIC VALUE CREATION (IN CRORE)

PARTICULARS	FY 2025-26
Revenue from Operations	8,176.92
Other Income	319.61
Economic Value Generated	8486.53
Operating Costs	6189.09
Employee Wages and Benefits	1,270.61
Payment to providers of capital	515.68
Payments to government#	1,653.49
Community Investments	3.51
Depreciation and other expense	1,339.49
Economic Value Distributed	9,345.45
Economic Value Retained**	-858.92

** Economic value retained = Direct economic value generated - Economic value distributed.
#This includes GST, customs, rates and taxes.

Number of days of accounts payables*	FY 2025-26
	213.77

OPENNESS TO BUSINESS		
PARAMETER	METRICS	FY 2025-26
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	47.88%
	b. Number of trading houses where purchases are made from	129
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99.18%
Concentration of Sales*	a. Sales to dealers / distributors as % of total sales	6.13%
	b. Number of dealers / distributors to whom sales are made	252
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	76.30%
Share of RPTs in*	a. Purchases (Purchases with related parties / Total Purchases)	0.57%
	b. Sales (Sales to related parties / Total Sales)	0.02%
	c. Loans & advances (Loans & advances given to related par-ties / Total loans & advances)	99.62%
	d. Investments (Investments in related parties / Total Investments made)	76.49%

* Cost of goods considered under accounts payable

Financial Performance Highlights:

Our Company delivered a robust performance in FY26, marked by double-digit revenue growth and steady improvement in profitability. Revenue grew by 11% year-on-year to ₹8,177 crore, supported by strong momentum across key business segments, disciplined execution and continued operational improvements across the portfolio.

The Ethnic business delivered double-digit growth, while TMRW continued to scale at a high growth rate. Pantaloons maintained a steady and consistent performance during the year. Retail and e-commerce channels also registered robust growth, driven by healthy LTL growth, improved execution and stronger consumer engagement across formats.

Our Company remains focused on driving operating efficiencies by leveraging its strong backend capabilities across sourcing and manufacturing, retail execution and digital integration. These capabilities continue to support better agility, improved productivity and sharper execution across the business.

Our Company also continues to strengthen its omni-channel ecosystem by seamlessly integrating its physical store network with brand websites, marketplaces and other digital platforms. This approach is guided by the understanding that each brand operates at a different stage of its growth lifecycle and therefore requires a tailored distribution strategy with distinct channel priorities. At the overall Company level, calibrated store expansion continued across priority markets, with the addition of over 180 new stores during FY 2025-26. The overall retail footprint witnessed a net increase of ~0.6 million sq. ft., taking the total retail space to 7.9 million sq. ft. as on March 31, 2026.

In line with evolving consumer preferences, the Company launched new formats during the year, including Galeries Lafayette in luxury retail and OWND, targeted at Gen Z consumers. These launches reflect the Company's continued focus on expanding into high-potential consumption spaces and building future-ready growth platforms.

Our capital allocation strategy remains focused on strengthening growth platforms and scaling brand portfolio. As on March 31, 2026, we maintained a standalone gross cash balance of ₹1,150 crore, providing adequate liquidity to support its growth priorities. Subsidiaries, including designer-led brands and TMRW, are expected to continue funding their own growth requirements.

Pantaloons Segment

In line with the fast evolving masstige and value fashion segment, Pantaloons has been on a strategic transformation journey centered on premiumization, superior merchandising, enhanced store experiences with a customer proposition of a stronger self-expression led fashion. Our strategic initiatives are now reflecting in our growth trajectory with Q4 FY26 recording one -of its highest growth performance.

Pantaloons delivered a steady performance with revenue of ₹4560 Cr in FY26, a growth of 4% over previous year, amid challenging environment. Company continued to optimize its store network while enhancing its in-store retail experience, with its store count reducing to 399 while footprint increased to 5,781 000' sq.ft.

During the year, company rebranded Style-Up as OWND with the objective of building the right customer base, enhancing store productivity and accelerating digital led customer acquisitions. It is currently in investment phase, and continues to strengthen its presence with its store network expanding to 79 stores as on 31 March 2026.

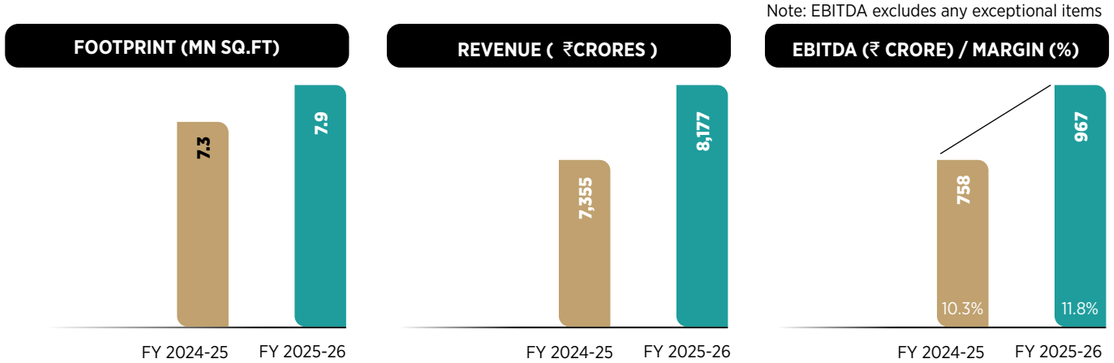
EBITDA was at ₹739 Cr, with EBITDA margin of 16.2%, despite the impact of continued ramp-up in OWND.

Outlook: As leaders in masstige and value fashion, we continue to drive future growth in this segment through Pantaloons. We are steadfast on improving productivity and margin expansion along with calibrated store expansion with an omni-channel distribution strategy. The company believes OWND business is shaping up as expected and is well-poised to seize the emerging opportunities in this intensely competitive space.

Ethnics Segment

Our ethnic wear segment anchored by a diverse mix of designer led brands as well as premium ethnic brands, is one of India's most comprehensive play on Indian wedding and occasion wear segment. This segment recorded revenue of ₹2227 Cr in FY 2025-26, growing by 14% year-on-year, mainly driven by robust wedding and festive seasons during the year. EBITDA grew more than doubled during FY 2025-26, growing

Note: EBITDA excludes any exceptional items



from ₹102 Cr in FY25 to ₹242 Cr in FY 2025-26, a staggering growth of 137% over the previous year. EBITDA margin also more than doubled from 5.2% in FY 2024-25 to 10.8% in FY 2025-26. This was mainly on account of stronger profitability in designer led portfolio as well as sharp improvement in TCNS operations.

During the year FY 2025-26, we aggressively expanded our network with an addition of more than 80 stores, taking our store network in this segment to more than 680 stores. The store expansion was led by TASVA, TCNS and Jaypore, to strengthen our presence in our premium ethnic wear segment.

Our designer-led ethnic wear portfolio maintained its high growth trajectory with a strong double-digit profitability. This growth was fueled by strategic category extensions, craft-led and contemporary product launches along with more synergistic collaborations.

Our premium ethnic wear portfolio consisting of TASVA, Jaypore and TCNS brands sustained its high growth momentum with strong performance across all brands. TASVA reported 38% growth in sales in FY 2025-26 with double digit LTL growth. Jaypore also witnessed strong double-digit growth of 23% in FY 2025-26 as it scales a craft-led artisanal brand. Within the TCNS portfolio, we continued our turnaround journey with significant improvement visible in financial performance. Retail performance remained healthy with positive LTL growth.

Outlook: We are well poised to capitalize on the growing ethnic wear segment with our ensemble of brands across price points. We expect the business to remain focused on profitability led growth across our brands, as we expand to capture new customers as well as new geographies.

TMRW

Our TMRW portfolio - comprising of our digital-first brands – Bewakoof, Wrogn, TIGC, Nobero, Veirdo, Urbn - maintained strong growth trajectory in FY 2025-26, gradually increasing its contribution to total revenue as it scales up to its potential. During the year, it registered revenue of ₹876 Crore in FY 2025-26, an increase of 34% year on year. This was driven by robust growth across brands, extensions into new categories and high impact marketing initiatives for increased customer engagement. With the inclusion of Wrogn, business revenue reaches ~₹1,100 Crore in FY 2025-26.

We continue to invest in brand building through celebrity and influencer led campaigns and collaborations to enhance visibility. This is further supported by a well-executed omni-channel led scale-up of distribution network to improve accessibility. As on 31st March 2026, we have a physical retail footprint across ~120 exclusive stores across brands (including Wrogn).

While the business continues to be in investment phase, we saw notable improvement in operating efficiencies in FY 2025-26. With revenue growing at 34% year on year, EBITDA loss was contained at ₹207 Cr in FY 2025-26, compared to ₹206 Cr in FY 2024-25.

In the beginning of the year, TMRW secured its first investment through external fundraising, raising ₹437 Crores from venture capital firm, ServiceNow Ventures. The investment brings strategic capital as well-advanced technology, with ServiceNow's Agentic AI and automation capabilities power TMRW's tech platform.

Outlook: We remain steadfast on achieving sustainable long-term profitability as we scale our portfolio of brands through continued growth investments and independent capital raising.

Luxury Retail

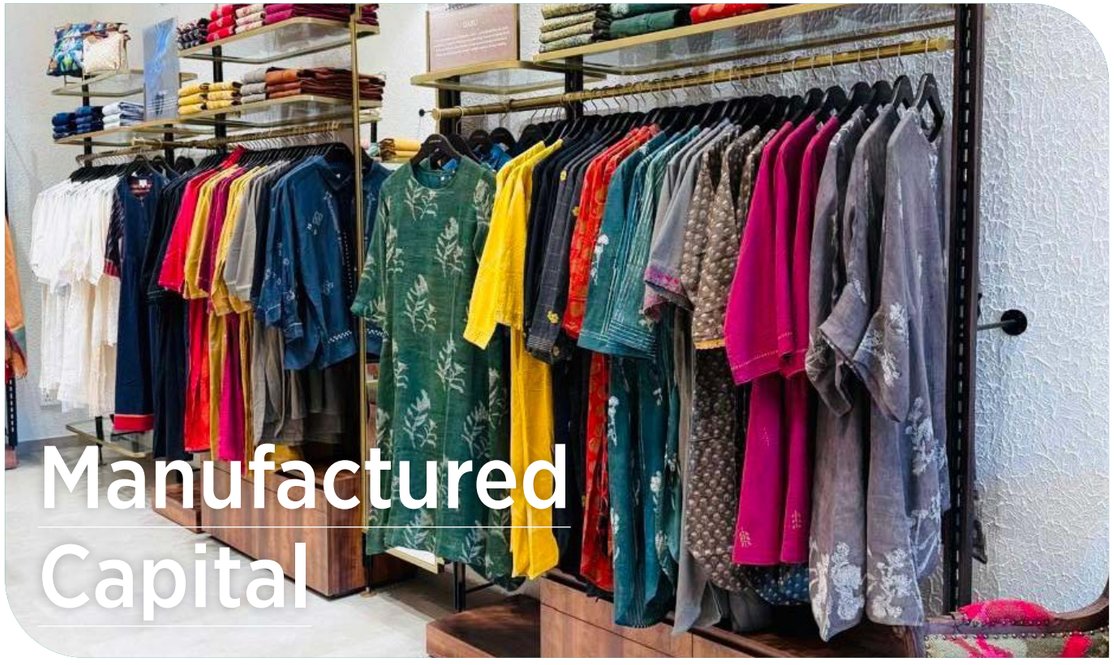
Our luxury retail portfolio comprising of The Collective & Mono brands (TCMB), continues to strengthen our market position driven by network expansion. The portfolio registered revenue of ₹596 Cr, and 15% year on year growth, led by robust performance by TCMB and further supported by launch of Galeries Lafayete. The TCMB business maintained its profitable growth trajectory, recording 9% year on year growth in FY26, driven by rising demand for premium international brands and sustained momentum in e-commerce channels. EBITDA was at ₹175 Cr in FY 2025-26, a solid growth of 23% over previous year. EBITDA margin improved by 190 basis points to 29.4% in FY 2025-26.

During the year, TCMB added eight new stores taking the TCMB network to total of 49 stores across key luxury consumption markets. FY 2025-26 witnessed the successful launch and early ramp-up of Galeries Lafayette, India's first ever luxury department store in partnership with the iconic Paris based retailer. Since its commencement of operations in November 2025, the store witnessed strong early consumer traction.

Outlook: Going forward, we aim to capitalize on rising domestic luxury consumption and the evolving shift from international shopping to premium purchases in India.

Credit Rating:

At a consolidated level, our gross debt stands at ₹1695 Cr as on 31st March 2026, while net debt is at ₹149 Cr as on 31st March 2026. During the year, we continued to demonstrate a robust credit profile supported by leadership position in established market position, diversified brand portfolio and consistent operational performance. CRISIL Ratings has reaffirmed its 'CRISIL AA+/ Stable / CRISIL A+' ratings on the bank facilities and debt instruments of ABFRL, reflecting healthy market position of Pantaloons segment and diverse brand portfolio across apparel retail and robust financial flexibility.



Manufactured Capital

From Transition to Transformation

Following a successful demerger,, we embraced a more focused identity—one that sharpens attention on premium, luxury, and lifestyle offerings.

At the core of this approach is our Product Sustainability Attribute framework, which provides a simple way to evaluate how sustainable each product is. It is based on five key criteria that consider both environmental and social impacts across the product's lifecycle. In FY 2025–26, approximately 95% of the product portfolio met at least one sustainability attribute, while 80% have two sustainable attributes, indicating a gradual shift towards deeper integration of sustainability across product lines. To bring this story to life for internal stakeholders, we continue to leverage our Brand Sustainability Dashboard, a dynamic Management Information System that translates data into insights.

As we move forward as an independent entity, our vision is to create products that resonate with evolving consumer expectations while contributing to a more resilient fashion ecosystem. The path ahead will be defined by continuous innovation, stronger accountability, and a commitment to scaling impact. In doing so, we reaffirm that sustainability is an ongoing journey, where every product tells a story of responsibility, progress, and purpose.

Our Retail Footprint

We have built an extensive retail footprint of approximately 7.9 million sq. ft. across the country. We operate around 975 retail stores, enabling us to serve a diverse customer base through a strong omnichannel presence. This wide-reaching store network strengthens our market leadership, enhances brand accessibility, and supports our strategy of delivering fashion and lifestyle offerings.

Leading Product Sustainability

Over the course of our decade-long ReEarth sustainability journey, we repositioned our products as the primary vehicle for environmental and social value creation, as we transitioned from a process-led to a product-led sustainability model, representing one of the most consequential structural

FOCUS AREAS

EXPANDING RETAIL FOOTPRINT › LEADING PRODUCT SUSTAINABILITY › DRIVING BRAND SUSTAINABILITY

CONTRIBUTION TO UN SDGS

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

INTERLINKAGE WITH OTHER CAPITALS

- Social and Relationship Capital
- Intellectual Capital
- Human Capital
- Natual Capital
- Financial Capital

KEY HIGHLIGHTS

2 MANUFACTURING FACILITIES	**6** WAREHOUS FACILITIES	**20+** BRANDS
7.9 MILLION SQ. FT. RETAIL FOOTPRINT	**95%** PRODUCTS WITH AT LEAST ONE SUSTAINABILITY ATTRIBUTE	

MATERIAL TOPIC LINKAGE

SUSTAINABLE PRODUCT	SUSTAINABLE SUPPLY CHAIN	DIGITALISATION AND AUTOMATION
SUSTAINABLE PACKAGING	SUSTAINABLE RAW MATERIAL	ECONOMIC PERFORMANCE

shifts in the Indian fashion sector's approach to responsible manufacturing. As part of this broader transformation, we actively promote handcrafted fabrics and garments rooted in India's indigenous craft traditions, creating market access for artisan communities and cottage industries while ensuring they remain integral to our evolving value chain. This approach not only preserves traditional knowledge systems but also supports inclusive livelihoods and culturally rooted production models. In parallel, we have significantly strengthened the sustainability of packaging ecosystem, achieving 99.8% sustainable packaging material usage at pantaloons, through initiatives such as compostable poly-bags, the integration of plastic-free packaging components, and the elimination of plastic carry bags across Pantaloons stores, reducing material consumption and advancing circularity across our retail operations.

Collectively, these efforts embed sustainability across the product lifecycle, from design to delivery, positioning us as a leader in integrating environmental responsibility with large-scale commercial operations.

Driving Brand Sustainability

Five Product Sustainability Attribute

- Sustainable production process
- Sustainable maufacturing facilities
- Sustainable raw materials
- Sustainable packaging
- Sustainable livelihoods

PANTALOONS continues to strengthen its operational foundation through resource-efficient infrastructure, responsible packaging practices and sustainable product innovation.

Pantaloons' warehouses have improved energy efficiency through LED and motion sensor-based lighting, rooftop solar installations, and enhanced operations and maintenance practices, contributing to a 40% reduction in carbon emission intensity. Alongside this, Pantaloons has transitioned from plastic bags to paper bags and corrugated boxes across its entire retail estate, reinforcing its focus on more responsible packaging and distribution practices.

Beyond operational efficiency, Pantaloons is also advancing circular material use across key product categories. In kidswear, pantaloons introduced recycled cotton in juniors' T-shirts through a focused capsule of 25,400 pieces, incorporating approximately 30% post-industrial recycled cotton. Building on the same circularity approach, Pantaloons also advanced recycled cotton integration in menswear through its SF Jeans denim capsule, covering approximately 8,495 units across five core styles and incorporating 23–25% post-industrial recycled cotton.

Pantaloons also strengthened responsible sourcing by integrating FSC®-certified and traceable Liva Eco™ viscose across Women's Ethnic, Western and Kidswear portfolios. Through this transition, the brand shifted approximately 9 lakh metres from conventional viscose to more responsible forest-based fibre alternatives, improving traceability and reducing sourcing-related risks.

Together, these initiatives highlight Pantaloons' focus on improving its operations, packaging, supplier network and product capabilities. By combining efficient infrastructure with responsible material choices, the brand is building a more sustainable and future-ready retail model.

Driving Brand Sustainability

HOUSE OF MASABA reflects a strong commitment to cultural responsibility. In a landmark collaboration with UNEP India and Ogilvy under the 'I Will Wear Out Plastic' initiative, House of Masaba launched a limited-edition collection featuring garments with integrated detachable reusable bags. The dresses were accompanied by open-source DIY resources encouraging consumers to replicate the design at home. As of 2025, the brand has evolved into a 360-degree lifestyle label, encompassing not only its core womenswear and festive collections but also a bridal wear category, besides jewellery collaborations.

Sustainability at House of Masaba is also expressed through its approach to craft and ABFRL's wider commitment to promoting handcrafted fabrics and indigenous artisan techniques. The brand's Bharat Tex 2025 participation, where it formed part of ABFRL's Wall of Sustainable Threads reinforcing its positioning as a brand at the forefront of circular and culturally responsible fashion.

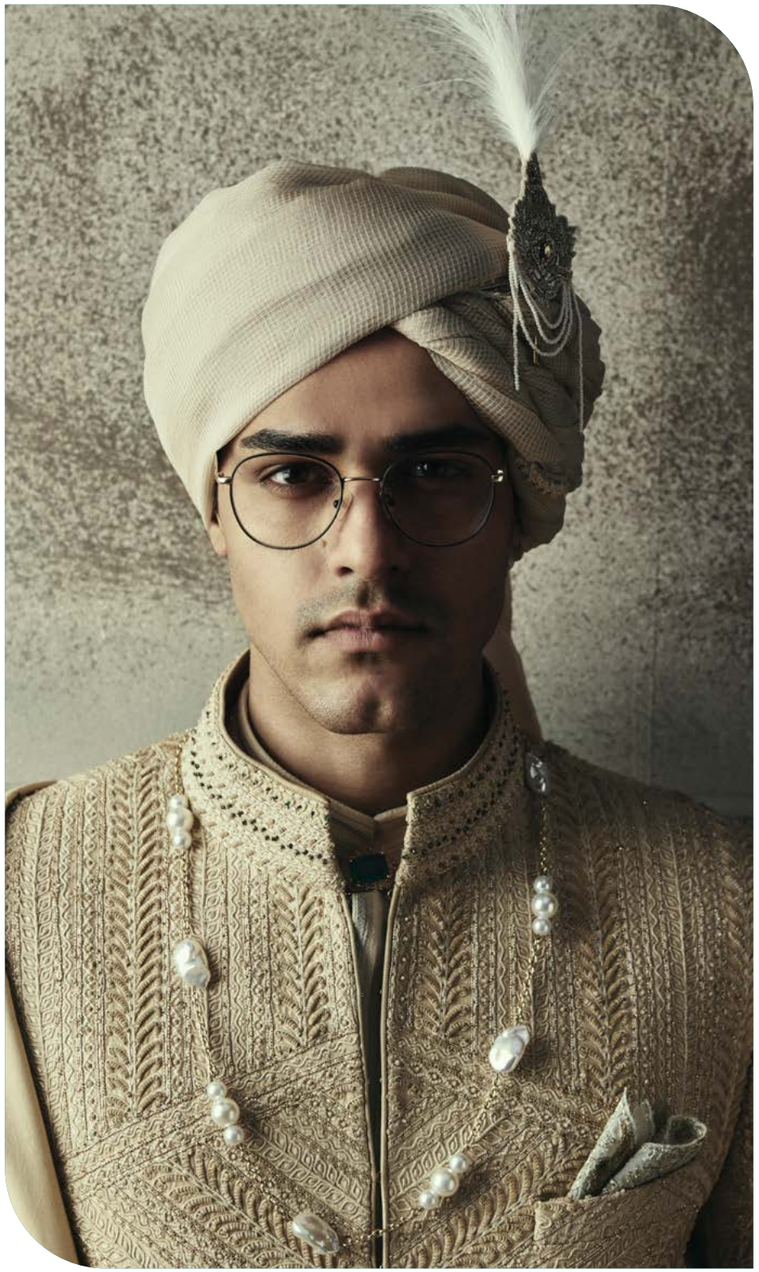
JAYPORE — TO DRIVE OPERATIONAL EFFICIENCY and sustainability across its supply chain, Jaypore implemented a series of initiatives focused on resource optimisation, green logistics and responsible packaging. Under a shared-services model, Jaypore allocated 9,000 sq. ft. of warehouse space within its Noida Distribution Centre to SNN, improving infrastructure utilisation, enabling resource sharing, avoiding duplication of warehousing assets and generating an annual financial impact of approximately ₹45 lakh.

As part of its Green Logistics Initiative, Jaypore introduced electric vehicles for NCR store deliveries through a logistics partner, supported by charging infrastructure at the warehouse. The initiative reduced dependence on conventional fuel-based transportation and lowered the carbon emissions.

Jaypore also undertook a comprehensive Packaging Transformation Programme after identifying the extensive use of non-sustainable and multi-layer packaging materials across warehouse operations. Key interventions included the replacement of polyethylene bags with certified compostable alternatives, reduction of packaging layers across apparel, jewellery and footwear categories, and consolidation of multiple product tags into a single integrated tag with QR-enabled product information. To further strengthen circularity, a carton shredder was installed at the Noida warehouse to convert used corrugated cartons into honeycomb cushioning material, replacing thermocol and foam-based fillers. These measures significantly reduced packaging waste, lowered material consumption and generated cost savings, while supporting circular economy practices.

The initiatives delivered significant financial, environmental and operational benefits for Jaypore. Packaging optimisation generated estimated monthly savings of approximately ₹1.72 lakh, including savings of ₹20.75 per apparel unit and ₹5.25 per jewellery unit. Jaypore eliminated poly bags from its B2C dispatch stream, reduced non-sustainable content in apparel packaging to less than 1%, and significantly lowered corrugation waste through the use of lightweight paper bags. Operationally, the initiatives simplified packaging processes, reduced packing cycle time, reduced operational waste, and strengthened alignment with ESG commitments and EPR (Extended Producer Responsibility) requirements.

Driving Brand Sustainability



SHANTNU & NIKHIL — AS PART OF OUR LUXURY PORTFOLIO, Shantnu & Nikhil brings a distinctive perspective to sustainability—one that is deeply rooted in the philosophy of slow fashion, craftsmanship, and mindful creation. The brand's couture-led approach emphasises longevity, quality, and timeless design, inherently reducing overproduction and consumption.

Sustainability within the brand is expressed through its commitment to responsible consumerism and circularity. Initiatives such as the 'buy-back' programme encourage customers to return previously purchased garments, promoting reuse and extending product lifecycles. This reflects the brand's belief that luxury fashion should not only be aspirational but also responsible.

Shantnu & Nikhil integrates sustainability by limiting excess production, focusing on made-to-order formats, and emphasising durability and versatility. The brand has consistently advocated that fashion must take into account its environmental impact, recognising the industry's significant contribution to global emissions and the need for more conscious practices.

The brand's participation in global platforms such as the United Nations COP28 Sustainable Fashion Summit highlights its commitment to promoting responsible fashion and climate awareness.

Dokra: Reviving an Ancient Metal Craft

Through Karigari Ki Kahani (KKK), Jaypore brings the stories of Indian crafts to a wider world celebrating the makers, materials, and traditions that shape the country's rich artisanal heritage. Rooted in immersive storytelling and meaningful cultural engagement, the initiative creates deeper consumer connections while honouring the communities behind every handcrafted creation.

As part of this ongoing endeavour, Jaypore spotlighted Dokra, one of India's oldest metal-casting traditions, practised by artisan communities across eastern and central India using the centuries-old lost-wax casting technique. Under the broader theme of 'Concept to Creators to Consumers', the initiative traced the journey of Dokra from an artisan's imagination to a finished handcrafted object, highlighting the skill, patience and generational knowledge that sustain this unique craft tradition.

Through rich visual storytelling, artisan-led narratives and immersive retail experiences, Jaypore helped decode the intricate craftsmanship of Dokra for modern consumers while drawing attention to the importance of preserving traditional and vulnerable craft forms. Reinforcing its role as a curator and storyteller of Indian craft heritage, Jaypore brought the essence of Dokra alive across its stores, where culturally rooted design elements are thoughtfully blended with contemporary aesthetics. Inspired by the warmth and spatial language of traditional Indian homes, these immersive environments enabled consumers to engage with the craft beyond the product, fostering a deeper appreciation of India's living artisanal traditions.

Reimagining Rare Crafts for Contemporary Consumers — Jaypore's Tangaliya Journey

Jaypore's rare crafts programme focuses on preserving traditional craft techniques while reimagining them for contemporary consumers. The brand's Design, Product and Sourcing teams identify rare craft clusters, study their supply ecosystems and develop season-agnostic products with longer lead times to protect the integrity of slow, intricate craft processes. Jaypore is currently working with around 6–8 rare craft clusters across apparel and home products, with the aim of launching at least one rare craft every year.

Tangaliya, a rare handwoven craft from Gujarat's Surendranagar region, has been a key focus since 2021. Practised by a limited number of skilled weavers from the Dangasia community, the craft is known for its raised dana dots created directly on the loom. After its first launch in 2021, Jaypore relaunched Tangaliya in 2025 as a lighter cotton-silk kurta set with a contemporary motif language suited for festive wear. The collection became one of Jaypore's festive bestsellers, achieving 57% sell-through.

The initiative supports one core master weaver, his weaver unit and women artisans involved in yarn preparation, finishing and pre/post-weaving activities. Through Karigari Ki Kahani, Jaypore amplified the craft story across digital, social, retail and PR platforms. For Spring Summer 2027, Jaypore plans to further develop Tangaliya through new yarn types, textures, hand feel and drape, converting it into a planned seasonal craft pipeline.

Human Capital

FOCUS AREAS

- ORGANISATIONAL EFFECTIVENESS
- HUMAN CAPITAL DEVELOPMENT
- DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY
- EMPLOYEE WELL-BEING
- HUMAN RIGHTS
- OCCUPATIONAL HEALTH AND SAFETY

KEY HIGHLIGHTS

21,737
TOTAL WORKFORCE

34%
FEMALES IN THE TOTAL PERMANENT EMPLOYEES

₹21.7 CRORE
SPENT ON EMPLOYEE WELL- BEING

2,89,084
TRAINING HOURS

6,451
NEW HIRES

88
EMPLOYEE ENGAGEMENT INDEX (VIBES SURVEY)

ZERO FATALITY
AT WORKPLACE

*Permanent Workforce

CONTRIBUTION TO UN SDGs

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

INTERLINKAGE WITH OTHER CAPITALS

- Social and Relationship Capital
- Manufactured Capital
- Intellectual Capital
- Financial Capital

MATERIAL TOPIC LINKAGE

- OCCUPATIONAL HEALTH AND SAFETY
- EMPLOYEE WELLBEING AND LABOUR PRACTICES
- HUMAN CAPITAL DEVELOPMENT
- DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY
- HUMAN RIGHTS

Outlook and Overview of Human Capital

At ABFRL, our people vision is anchored in a singular and compelling belief to cultivate a culture defined by trust, purpose, and meaningful impact. This vision is not merely aspirational; it is actively lived across the organisation, shaping an environment where individuals feel respected, empowered, and inspired to make a difference.

We are driven by a bold vision to create a workplace where talent is not only supported but amplified. By thoughtfully attracting, developing, and nurturing exceptional individuals, we foster a progressive and inclusive ecosystem where diverse perspectives thrive, innovation is encouraged, and learning remains continuous and future-focused.

Central to our approach is a clear and enduring vision to build a high-performing organisation powered by engaged, fulfilled, and values-driven people. This vision informs every strategic decision, every employee experience, and every initiative we undertake.

Our organisational fabric is deeply woven with the enduring values of the Aditya Birla Group, ensuring our vision translates into responsible actions and sustainable outcomes. We continue to prioritise employee well-being, professional growth, and health and safety as integral elements of our broader people vision.

With a robust governance framework supported by a comprehensive Code of Conduct, we demonstrate an unwavering commitment to ethical behaviour. Our vision for an equitable workplace is reinforced by a strict zero-tolerance approach to discrimination, sexual and non-sexual harassment, or bias. Aligned with our Human Rights Policy, we cultivate a culture of openness, trust, and accountability, ensuring every employee feels safe, valued, and heard. Recognising the evolving dynamics of today's workforce, our people practices are aligned with a progressive vision that embraces diversity and multi-generational collaboration. By promoting adaptability, inclusivity, and continuous capability-building, we empower our employees to grow holistically and remain future-ready, enabling ABFRL to not only respond to change but to lead it with confidence.

To bring this vision to life, we have built a human capital strategy that is founded on the core of "World-Class Employee Experience driven by Data, Digital & Analytics" and anchored on the four strategic pillars:

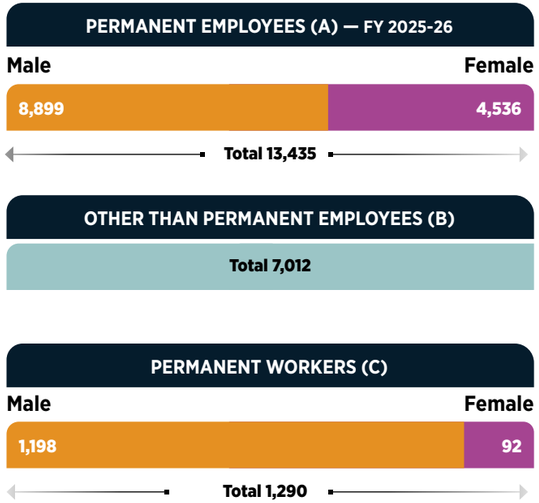
- Building a strong and future-ready talent pipeline with globally competitive capabilities
- Designing an agile and resilient organisation aligned with our long-term market leadership vision
- Strengthening and evolving the Aditya Birla Fashion Culture Code to reflect our aspirations for excellence
- Positioning ABFRL as the employer of first choice for high-potential talent

Organisational Effectiveness

At the core of our philosophy is the belief that our people are the driving force behind our sustained success. Our commitment is unwavering to empower every individual to unlock their full potential and contribute meaningfully to our shared ambitions. We are consistently investing in building a diverse, future-ready, and high-performing talent ecosystem, that not only supports our current operations but also fuels our long-term growth aspirations.

Our workforce of 21,737 employees and workers reflects not only the scale of our operations but also the breadth of our capabilities. Our permanent employees stands at 13,435 permanent employees across our corporate offices, retail stores, warehouses and manufacturing units, with a gender distribution of 66% male and 34% female, demonstrating our continued focus on building a balanced and representative workforce. We envisage to build a balanced workforce across our organisation.

Through a deliberate focus on capability building, inclusivity, and organisational agility, we continue to shape a workforce that is equipped to lead, adapt, and excel in an increasingly dynamic business landscape.



PERMANENT EMPLOYEES BY GENDER AND EMPLOYEE CATEGORY (FY 2025-26)

Gender	<30 years	30-50 years	>50 years	Total
Male	4,192	4,519	188	8,899
Female	2,950	1,551	35	4,536
Total	**7,142**	**6,070**	**223**	**13,435**
Management				
Senior Management	1	35	33	69
Middle Management	5	339	33	377
Junior Management	1,488	3,270	105	4,863
Non – Management	5,648	2,426	52	8,126
Total	**7,142**	**6,070**	**223**	**13,435**

Talent Attraction and Retention

At ABFRL, we do more than compete for talent we create an ecosystem where exceptional talent chooses to belong and thrive. We are committed to building a workplace where individuals are empowered to shape their own journeys and realise their full potential.

We offer an environment where opportunities are expansive across brands, functions, and geographies enabling our people to explore diverse pathways and build meaningful, future-ready careers. We encourage ownership of growth, supported by leaders who listen actively, mentor with intent, and are willing to invest in and champion bold potential.

Learning is embedded into the fabric of our organisation, ensuring our people continuously build capabilities that prepare them for evolving business needs and future leadership roles. At the same time, we foster a culture of real-time appreciation, where achievements both significant milestones and everyday contributions are recognised and celebrated.

We also believe that sustained performance is rooted in holistic well-being. By creating an environment where work and life coexist in harmony, we prioritise flexibility, inclusivity, and a strong sense of belonging, enabling our people to thrive both professionally and personally.

By bringing together a compelling employer brand, a differentiated Employee Value Proposition, and meaningful growth opportunities, we continue to strengthen our position as a destination of choice for top talent. We are building a workplace where individuals do not simply work they grow, lead, innovate, and leave a lasting impact on the future of fashion and retail.

We recognise that our ability to attract and retain the right talent is fundamental to building a resilient and future-ready organisation. We are deeply committed to fostering an inclusive workplace, welcoming individuals from diverse nationalities, backgrounds, and identities, as we believe that diversity strengthens our culture, enhances creativity, and drives innovation. Guided by the Aditya Birla Group's Corporate Principles and Code of Conduct, we uphold the highest standards of fairness, integrity, and respect across all our people practices.

Our workforce planning is strongly anchored in our internal business priorities, which act as the primary drivers of our talent strategy. As we continue to expand across brands, formats, and geographies, there is a growing need to scale capabilities across our corporate, retail, warehouse, sampling units and manufacturing facilities. The rapid advancement of our omnichannel and digital ecosystem has further accelerated demand for new-age skills, while ongoing business transformation has reshaped capability requirements across functions. At the same time, we remain focused on driving productivity and cost optimisation, ensuring that our workforce remains efficient and ready for the future. Strengthening our leadership pipeline and building succession depth across critical roles also remain our key internal priorities, enabling long-term organisational resilience.

These internal drivers are complemented by external market realities, including a dynamic retail landscape marked by evolving consumer preferences and intense competition for specialised and digital talent. Together, these factors shape a responsive and forward-looking workforce strategy.

In line with this, we have continued to refine our talent approach to attract high-potential individuals across levels and generations. During the reporting year, we adopted a holistic and business-aligned hiring strategy, with a deliberate shift towards a more structured and technology-enabled recruitment model, leveraging AI-driven tools and behavioural assessments to enhance effectiveness. We maintained a balanced focus on lateral, leadership, and early-career hiring, while also emphasising critical and emerging capabilities such as digital, analytics, supply chain, and design. We also advanced our diversity hiring agenda and reinforced internal pipelines through robust succession planning and enhanced internal mobility opportunities.

We take a proactive and highly structured approach to managing critical talent attrition, with a focused emphasis on high performers and roles that are pivotal to business continuity. Our approach begins with the systematic identification of risks through regular talent reviews, supported by workforce analytics and attrition trend analysis. We clearly map critical roles and high-potential talent pools to ensure focused attention, while continuous feedback mechanisms such as engagement surveys and manager insights enable us to stay closely aligned with employee sentiment. Building on these insights, we implement targeted retention initiatives designed to create a differentiated and compelling employee experience. This includes offering customised compensation and reward frameworks for high performers, investing significantly in career development, learning pathways, and leadership capability building, and actively promoting internal mobility and cross-functional opportunities to enrich career journeys. In parallel, we continue to strengthen employee-centric initiatives with a strong emphasis on well-being, engagement, and an enabling work environment, ensuring that our people feel valued, supported, and motivated to stay and grow with the organisation.

Nurturing Young Talent : Stride – Young Talent Management Programme

The STRIDE Programme is Aditya Birla Fashion's flagship young talent initiative, designed to identify, develop, and nurture future leaders for the organisation. What began over two decades ago with the induction of Business Management Trainees (BMTs) has evolved into a robust, multi-disciplinary talent pipeline that today includes Fashion Management Trainees (FMTs), Chartered Accountant (CA) Striders, and B.Tech/M.Tech Striders. The programme continues to expand its reach by strengthening relationships with leading campuses across the country while continuously evaluating and onboarding new institutes to build a diverse and future-ready talent pool.

Today, the STRIDE community comprises over 270 Striders across multiple batches, streams, and business units, making it one of the organisation's most enduring talent pipelines. Managed centrally, the program ensures consistent and enriching employee experience through structured learning interventions, cross-functional exposure, mentoring, and continuous career development. Guided by the philosophy of "Once a Strider, Always a Strider," every participant remains connected to the program throughout their journey, with a dedicated HR team partnering with them at every stage of their career.

The success of the STRIDE Program is reflected in the journeys of its alumni. Many former management trainees have grown into leadership roles and today lead key functions and businesses across Aditya Birla Fashion, reinforcing the program's role in building a strong internal leadership pipeline. As the organisation continues to evolve, STRIDE remains committed to attracting high-potential talent, fostering innovation and agility, and developing leaders who will shape the future of Aditya Birla Fashion.

Our investment in talent acquisition remained strong and deliberate, with a total hiring spend of ₹4.1 crore, reflecting our continued focus on attracting high-calibre professionals who align with our vision and values. During FY 2025–26, we welcomed 6,451 new employees into the organisation, of which 40% were women, reinforcing our sustained commitment to enhancing gender diversity across all levels. We also continued to prioritise internal career growth, with 48.78% of

WORKFORCE

GENDER	FY 2025-26
Male	**Female**
3,879	**2,572**
	Total workforce 6,451
Employee Hires by Age Group	
<30 years	5,060
30-50 years	1,370
>50 years	21
Total workforce	**6,451**

PERFORMANCE AND CAREER DEVELOPMENT REVIEWS OF EMPLOYEES AND WORKER

GENDER	FY 2025-26	
Male	**Female**	**% (B/A)**
8,899	**4,536**	100
	Total Employees 13,435	
1,198	**92**	100
	Total Workers 1,290	

open roles filled through internal mobility, demonstrating our belief in nurturing and advancing talent from within while building a future-ready and engaged workforce.

Building a Future-Ready Leadership Pipeline

At ABFRL, we firmly believe that organisations that succeed over the long term are those that invest early in building their future leaders. Strengthening our leadership pipeline remains a strategic priority, and our Talent Councils play a pivotal role in ensuring leadership continuity through a structured and forward-looking approach to identifying, developing, and positioning talent for critical roles.

We leverage a robust 9-box performance–potential framework, further validated through Emerging Councils (JB 6–9) and Leadership Councils (JB 4–5), to systematically identify high-potential talent and align them with future organisational needs. Through this process, we actively map talent to opportunities, create bridge roles, and establish clearly defined succession plans for key positions. This disciplined and proactive approach ensures that every strategic role is supported by ready-now or ready-soon successors, enabling ABFRL to operate with agility, resilience, and confidence as we scale.

Our performance management philosophy is designed to be holistic, inclusive, and developmental. We have adopted multi-dimensional appraisal mechanisms, including 360-degree feedback, allowing employees to receive well-rounded, constructive insights from multiple stakeholders. This is complemented by a culture of continuous feedback, where regular conversations between managers and team members support real-time performance improvement and development. We also emphasise team-based performance assessment, recognising the importance of collaboration and collective outcomes alongside individual contributions.

Through these integrated efforts, we are not only strengthening our leadership bench but also fostering a culture of accountability, growth, and sustained high performance across the organisation.

Planned Actions to Strengthen Retention

We believe that talent must not only be attracted and developed but also meaningfully retained through enriching employee experiences and visible growth opportunities. Our focus is on building a workplace where ambition is matched with a strong sense of belonging, enabling every individual to envision a long-term future with us. During the year, our voluntary employee turnover stood at 19.24%, and in response, we are taking deliberate steps to further strengthen retention outcomes. We are enhancing career pathing frameworks to provide greater transparency and clarity on growth opportunities across roles and functions, while also expanding internal mobility avenues to encourage cross-functional exposure and career progression.

We continue to invest in strengthening managerial effectiveness, recognising the critical role leaders play in shaping employee experience and engagement. At the same time, we are deepening our focus on continuous learning, reskilling, and building future-ready capabilities to keep our workforce relevant and resilient. Leveraging people analytics and AI-driven insights, we aim to adopt a more predictive and data-led approach to retention and workforce planning, enabling us to proactively address potential risks and reinforce a culture where our people feel valued, supported, and inspired to grow with us.

EMPLOYEE SEPARATION BY GENDER

GENDER	FY 2025-26
Male	Female
3,781	2,486
	Total workforce 6,267

Employee Separation by Age Group	
<30 years	4,392
30-50 years	1,838
>50 years	37
Total workforce	**6,267**

EMPLOYEE AND WORKERS TURNOVER RATE

Permanent Employees	FY 2025-26
Male	Female
43%	56%
	Total 47%

Permanent Workers	FY 2025-26
Male	Female
2%	5%
	Total 2%

Employee Value Proposition (EVP): A Promise of Growth and Belonging

Our Employee Value Proposition (EVP) goes beyond a statement—it is a commitment we bring to life every day. It is thoughtfully anchored in four core pillars that reflect the diverse aspirations of our people and shape a workplace where individuals feel supported, inspired, and empowered to succeed.

Career: We offer expansive opportunities for individuals to explore, grow, and evolve within the organisation and across the Aditya Birla Group. Our strong culture of mobility reflects in internal role movements, enabling employees to build dynamic, fluid careers that extend beyond traditional boundaries.

Learning & Development: We cultivate a culture of continuous learning through structured programmes, immersive academies, and Elev8 our University of Growth. This ecosystem fosters lifelong learning, equipping our people with the capabilities required for present-day excellence and future leadership.

Reward & Recognition: Our multi-layered reward and recognition framework ensures that excellence is consistently acknowledged. By embedding recognition into everyday practices, we create an environment where contributions are valued in real time rather than confined to periodic reviews.

Enrich Your Life: We recognise the importance of balance and well-being and strive to create an environment where professional and personal aspirations coexist harmoniously. Through flexible policies, well-being initiatives, and platforms for connection and self-expression, we support the holistic growth of every individual.

Through this integrated EVP, we ensure that every employee feels valued, challenged, and inspired making ABFRL a workplace where talent not only performs but truly thrives

Opportunities Without Boundaries

In line with our belief that “Anybody can do Anything,” we actively encourage cross-functional and cross-business mobility through stretch assignments, lateral movements, and inter-business opportunities. Additionally, clearly defined career pathways across Fashion Management and Business Management talent provide transparency and direction, enabling our people to navigate their growth journeys with clarity and confidence.

Diversity, Inclusion and Equal Opportunity

At ABFRL, we are deeply committed to fostering a workplace that embraces diversity in all its forms and promotes a culture of inclusion and equal opportunity. We welcome individuals across nationalities, castes, religions, ethnicities, genders, and backgrounds, recognising that a diverse workforce strengthens our organisational fabric and drives innovation, collaboration, and sustainable growth. Our global outlook is reflected in our workforce composition, which includes six employees from multiple nationalities (two from Austria, one from Germany, one from Spain, One from UK, One from France) alongside a strong base of Indian talent.

Creating a safe, inclusive, and equitable environment for women and under-represented groups remains a key priority for us. Our people policies are designed not only to ensure compliance with regulatory requirements but also to actively promote fairness, dignity, and support at every level of the organisation. Guided by our Code of Conduct and Corporate Principles, we maintain a strict zero-tolerance approach towards all forms of harassment and discrimination. We are committed to building a more gender-diverse organisation and continue to take focused steps to enhance women’s representation across roles, including at managerial and leadership levels. Our efforts span both front-end retail and corporate functions, supported by inclusive hiring practices,

targeted leadership development programmes for women, and enabling workplace policies. While our goals remain progressive, we emphasise sustainable, pipeline-driven improvements to ensure long-term impact.

In alignment with the Rights of Persons with Disabilities Act, 2016, we are committed to ensuring that our differently-abled employees and workers have equal access to opportunities and facilities and are treated with dignity and respect. We strive to eliminate barriers and create an environment that enables full participation and inclusion.

We firmly believe that diversity and inclusion are critical enablers of business performance and innovation. Through our continued focus on equitable opportunities, varied perspectives, and an inclusive culture, we aim to create a workplace where every individual feels respected, valued, and empowered to contribute their best.

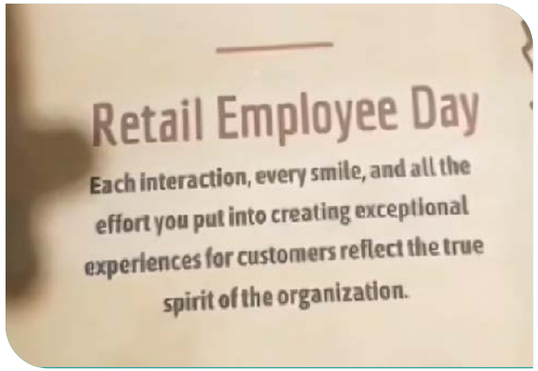
REPRESENTATION OF WOMEN

Employee Category	FY 2025-26
Share of women in all **management** positions	25%
Share of women in **jr. management** positions	24.8%
Share of women in **top management** positions	29%
Share of women in **revenue-generating** positions	32%
Share of women in **STEM**-related positions	11.6%

In FY 2025–26, female representation on the Board of Directors stood at 27% (3 out of 11 members). Among Key Managerial Personnel, women constituted 25% in the current reporting period, with 1 out of 4 members being female, reflecting consistency in gender representation at senior leadership levels.

EDGE Assess Certification

At ABFRL, we have strengthened our commitment to gender equity by achieving the globally recognised EDGE (Equity, Diversity and Gender Equality) Assess Certification, becoming the first organisation in the Indian retail industry to be independently verified against international workplace gender equity standards. It is awarded only after a comprehensive, independent audit that evaluates how organisations perform across the most critical dimensions of workplace gender equity.



As part of the EDGE Assess certification process, we underwent a deep, end-to-end assessment across four core pillars:

- **Gender representation** across all levels of responsibility, from junior management to top leadership
- **Pay equity**, including statistically robust analysis to identify any unexplained gender pay gaps
- **Policies and practices** governing equitable career flows — spanning recruitment, promotions, leadership development, flexible work arrangements, parental support, and workplace safeguards
- **Inclusive workplace culture**, validated through anonymised employee perceptions and lived experiences

The assessment combined quantitative workforce data, qualitative policy and practice reviews, and an employee survey, followed by an independent audit to verify accuracy, completeness, and integrity before certification was granted.

The Certification places us among a select group of organisations worldwide that have subjected their gender equity journey to external scrutiny and transparency. The certification signifies that the company has established a credible and auditable baseline for assessing workplace gender equity, with core people policies and processes that are evidence-based and aligned with equity objectives. It also confirms that we have a validated action plan in place to drive measurable improvements and accelerate progress on gender equity throughout the certification period, reinforcing its commitment to accountability, inclusion, and sustainable organisational change.

By adopting a globally benchmarked and independently audited framework, we are proactively strengthening our readiness for future ESG disclosures, regulatory expectations, and investor scrutiny - positioning gender equity as a core element of sustainable business governance, not a peripheral initiative.

Fair Remuneration

At ABFRL, fair remuneration is integral to our commitment to diversity, equity, and inclusion. We have embedded pay equity as a foundational principle within our people practices, ensuring that all employees are fairly and appropriately compensated, irrespective of gender or background. We closely monitor pay structures and conduct regular assessments of the gender pay gap to drive parity and maintain transparency across the organisation.

Our compensation philosophy is firmly anchored in meritocracy, where performance, capability, and contribution are the primary determinants of reward. Robust governance mechanisms are in place to prevent any form of bias or disparity, ensuring that our remuneration practices remain consistent, objective, and equitable.

Our Remuneration Policy for executives is designed to uphold the highest standards of transparency and fairness, reinforcing accountability at leadership levels. Annual compensation reviews are conducted with rigour and discipline, supported by structured frameworks that eliminate subjectivity. This approach not only reflects our organisational values but also strengthens trust, enhances motivation, and fosters sustained engagement across our workforce.

Employee Engagement and Well-Being

A Culture of Listening, Engagement & Well-Being

We view engagement and well-being not only as a standalone initiative but also as a fundamental requisite to how we lead, connect, and grow as an organisation. We firmly believe that success to a sustainable business is rooted in a workforce that feels energised, valued, heard, and supported. This belief is embedded in our continuous efforts to create meaningful listening channels and foster a culture of openness, trust, and shared accountability.

Our enterprise-wide engagement survey, VIBES a flagship initiative of the Aditya Birla Group serves as a cornerstone of our listening strategy. It is administered annually across all business units and employee segments, covering 100% of our workforce. During FY 2025-26, the survey was conducted between 27 February and 14 March, achieving a strong participation rate of 93%, resulting in a score of 88 on the employee engagement index. The survey covers aspects such as job satisfaction, purpose, happiness, stress management and employee satisfaction against nine dimensions, including engagement, alignment, performance culture, managerial effectiveness, agility, employee experience, including engagement, leadership effectiveness, career development, well-being, recognition, providing leaders with deep, actionable insights.

The findings from VIBES survey have been instrumental in shaping both organisation-wide and team-level action plans, enabling us to continuously strengthen our people practices and reinforce a culture of trust, growth, and accountability. To complement this, we deployed targeted business-specific surveys to capture contextual insights, including dedicated initiatives for frontline retail employees. We also conducted over 10 pulse surveys annually, using quick and interactive formats to gauge real-time sentiment across themes such as physical and mental well-being, engagement, and workplace experience.

In addition to quantitative tools, we place strong emphasis on qualitative feedback through structured Focus Group

GENDER PAY EQUITY (₹)

Employee Category	FY 2025-26
Male	**Female**
1,57,27,039	1,59,88,727
Average salary paid at an **Executive Level**	
2,06,99,011	2,04,24,207
Average base **salary** with **incentives amounts** at an **Executive Level**	
10,29,375	11,74,903
Average base salary at **Management Level**	
11,18,229	12,99,672
Average base **salary** with **incentives** amounts at **Management Level**	
2,86,829	2,77,224
Average salary paid at **Non-Management Level**	

DETAILS OF REMUNERATION/SALARY/WAGES: MEDIAN REMUNERATION/WAGES:

Employee Category	Male		Female	
	Number	Median remuneration / salary/wages of the respective category	Number	Median remuneration / salary/wages of the respective category
Board of Directors (BoD)	9	5,35,000	3	4,15,000
Key Managerial Personnel/Management	2	1,66,27,000	-	-
Employees other than BoD and KMP	8899	3,43,362	4,537	2,74,584
Workers	1198	3,24,966	92	2,35,992

REMUNERATION AND WAGES

FY 2025-26

	Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)
Permanent Employees					
Male	**8,899**	**480**	**5%**	**8,419**	**95%**
Female	**4,536**	**252**	**6%**	**4,285**	**94%**
Total	**13,435**	**732**	**5%**	**12,704**	**95%**
Permanent Workers					
Male	**1,198**	**2**	**0.17%**	**1,196**	**99.83%**
Female	**92**	**1**	**1%**	**91**	**99%**
Total	**1,290**	**3**	**0.23%**	**1,287**	**99.77%**

FY 2025-26	
Gross wages paid to females as a % of total wages*	28.31%
*Our gross wages paid comprise the data for permanent employees and workers inclusive of bonus paid during the reporting year.	

Location-wise breakdown of wages paid to all individuals employed	
Location	**FY 2025-26**
Rural	0.08%
Semi-Urban	0.79%
Urban	13.61%
Metropolitan	85.52%

Discussions and post-survey feedback sessions, allowing us to gain deeper insights into key themes and employee experiences. These insights are translated into clearly defined action plans across business units, supported by a strong governance framework with regular reviews to ensure accountability and timely closure.

Beyond formal mechanisms, we have established multiple platforms to encourage ongoing dialogue and real-time engagement. These include monthly CEO town halls, open forums with HR leadership, and regular team huddles that promote transparency, enable quick resolution of concerns, and celebrate achievements collectively. These interactions strengthen our organisational fabric, reinforce a sense of belonging, and ensure that every voice is heard.

Through this integrated approach, we continue to nurture a culture where listening is continuous, engagement is intentional, and well-being is prioritised empowering our people to perform, grow, and thrive.

Where Connections Thrive Beyond Work

For ABFRL, engagement is not an afterthought it is the heartbeat of our culture, shaping how our employees experience belonging, collaboration, and joy at work. Across our Business Units, engagement is woven into everyday life, creating moments that inspire creativity, strengthen bonds, and transform colleagues into a close-knit community. We believe that connections fuel performance, and every interaction is an opportunity to celebrate our people. This belief came to life through a series of thoughtfully curated initiatives across our businesses, each one rooted in our shared values yet infused with the unique spirit of every brand.

Well-Being without Boundaries

We adopted a holistic approach to well-being, ensuring that health, resilience, and balance are integral to the employee experience. We are committed to creating a workplace where individuals feel supported not only professionally but also physically, emotionally, and socially.

We place significant emphasis on emotional and mental well-being. Our Santulan Employee Assistance Programme (EAP) offers confidential and free counselling support to employees and their families, covering both personal and work-related concerns. In addition, our partnership with Mpower, a leading mental health organisation, provides access to specialised care, including counselling, psychiatric support, and awareness programmes. These services are easily accessible via phone or email, ensuring timely and stigma-free support for those in need. Further strengthening our approach, we conduct regular mental health webinars and awareness sessions aimed at building psychological resilience.

Our structured mental well-being initiative, #MindMatters, reinforces this commitment through a sustained focus on awareness, accessibility, and employee engagement. Launched on World Mental Health Day (10 October 2025), the programme includes monthly newsletters, targeted sessions, and pulse surveys, covering themes such as emotional resilience, mental readiness, gratitude, and overall mental health awareness. With over 450 employee responses across sessions and surveys, the programme continues to play a key role in normalising conversations around mental health beyond traditional support mechanisms.

We have also strengthened our preventive healthcare focus through the Annual Health Check-up (AHC) programme. Following a successful pilot in Mumbai, the initiative was scaled across locations, achieving 99.8% completion in Mumbai and 77% completion across the rest of India during the year. Delivered through a network of over 156 centres, the programme was supported by strong communication and on-ground facilitation. Employee feedback reflects high satisfaction levels, with 89% rating the experience as good or very good, 93% acknowledging its effectiveness for health and well-being, and 91% highlighting ease of access and booking.

Our well-being initiatives are underpinned by a data-led and insight-driven approach, leveraging inputs from engagement surveys such as Vibes, pulse checks, and programme feedback. This ensures that our interventions remain relevant, responsive, and aligned with evolving employee needs.

Looking ahead, we are committed to further strengthening our well-being framework by enhancing the consistency and transparency of disclosures, increasingly integrating employee feedback into programme design and reporting, and aligning our practices with evolving regulatory requirements, including BRSR and broader ESG standards.

#MindMatters – A Year-Round Commitment to Mental Wellbeing

- On World Mental Health Day (10 October 2025), we launched **#MindMatters**, a monthly mental wellbeing knowledge series, embedding mental wellbeing into the employee experience through sustained awareness and meaningful conversations.
- Designed to foster awareness, reduce stigma, and encourage open conversations around mental health, **#MindMatters** combined evidence-informed content with practical strategies that empowered employees to build resilience, strengthen psychological wellbeing, and adopt healthier mental habits.
- The series was thoughtfully aligned with significant moments throughout the year, bringing timely conversations to employees through themes that resonated with both workplace and personal experiences. Each edition offered practical insights and everyday actions to support mental wellbeing, while expert-led conversations further deepened engagement through **Balancing Strength and Sensitivity**, organised on **International Men's Day**, and When the Mind Doesn't Switch Off, conducted on **International Women's Day** to spotlight the often-unseen mental load carried by women.
- Together, these initiatives reinforced our approach to fostering a healthy, resilient, and inclusive workplace culture through sustained awareness, meaningful dialogue, and everyday actions.

Employee Benefits

We take a holistic approach to employee well-being, with a strong focus on health, security, and work–life integration. Our comprehensive benefits includes health and accident insurance, as well as life insurance coverage for all employees and workers, with claims facilitated through EDLI under EPFO, ensuring financial protection and peace of mind.

We also support employees through key life stages with progressive parental policies, including 26 weeks of maternity leave and 5 days of paternity leave, reinforcing our commitment to family well-being. Complementing this, we offer childcare and daycare facilities, lactation support, and flexible working arrangements, work from home options, enabling employees to balance professional responsibilities with personal commitments.

To further promote overall well-being, we invest in stress management programmes, sports and fitness initiatives, and wellness-driven activities that encourage healthy lifestyles. Together, these initiatives create a supportive and inclusive ecosystem where employees can thrive, both at work and beyond.

The long-term incentive programmes, including stock options and Restricted Stock Units (RSUs), extend to employees below senior management, with approximately 40% coverage and an average vesting period of three years. This approach enables our people to actively participate in the organisation's long-term value creation, fostering a strong sense of ownership and shared success.

We recognise that the future of Human Resources lies beyond transactional processes it is fundamentally experiential. Through a thoughtfully designed HR service model, we are shaping a seamless and intuitive employee experience, underpinned by digital transformation, robust governance structures, comprehensive benefits, and data-driven decision-making.

Employee Benefits	FY 2025-26		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100%	100%	Yes
Gratuity	100%	100%	Yes
ESI	NA	46%	Yes

During the reporting period, 0.26% (₹21.7 crore) of our total revenue was invested in well-being initiatives reinforcing our commitment to the holistic care of our employees.

A Culture of Recognition and Appreciation

We do not treat recognition as a periodic exercise. However, it is embedded deeply within our culture and reflected in everyday interactions, milestones, and achievements. We believe that when people feel genuinely valued, they are inspired to perform at their best, innovate with confidence, and build a lasting sense of belonging. Our Rewards and Recognition (R&R) ecosystem is therefore thoughtfully designed to celebrate excellence in all its forms whether it is breakthrough achievements, consistent contributions, exceptional teamwork, or long-standing commitment.

We have built a multi-layered recognition framework that ensures every employee, across levels and geographies, feels seen and valued:

Pat on the Back:

At the core of our approach is every day and monthly recognition, where appreciation is immediate and visible. Through initiatives such as Pat on the Back, employees across Head Offices and Zonal Offices including off-roll staff are recognised monthly for outstanding performance, innovation, and embodiment of ABG values. These achievements are showcased across internal communication platforms, reinforcing a culture of appreciation and inspiring others.

On-the-Spot Appreciation:

In addition to formal programmes, managers are empowered to provide on-the-spot recognition, enabling real-time appreciation through informal acknowledgements or spot rewards, ensuring that exceptional efforts are recognised without delay.

GEMs (Go Extra Miles) Awards:

At a broader level, our quarterly recognition platform, the GEMs (Go Extra Miles) Awards, honours individuals and teams who consistently go beyond their defined roles. Covering employees across Head Office, Zonal Offices, and Area Teams in businesses such as Pantaloons, Style Up, and Marigold Lane, these awards are nominated by business leaders and endorsed by the CEO and Executive Committee. They celebrate qualities such as resilience, customer centricity, collaboration, and alignment with ABG's core values Integrity, Commitment, Passion, Seamlessness, and Speed. The CEO's Club Team Awards, under this platform, further recognise teams that have delivered significant and measurable business impact.

PACE Awards (Performance Acknowledgement and Celebration of Excellence):

Our annual recognition platforms serve as a celebration of exceptional performance on a larger stage. The PACE Awards (Performance Acknowledgement and Celebration of Excellence) recognise outstanding contributions across categories such as Individual, Team, Retail, and Manufacturing Excellence, highlighting work that has created meaningful business impact. PACE Awards spotlight individuals and teams whose work has moved the needle for the business, demonstrating extraordinary leadership, innovation, and customer-centricity. This platform reminds everyone that excellence is not confined to leaders alone—it thrives at every layer of ABFRL and deserves grand celebration.

Aditya Birla Fashion Excellence Day:

Aditya Birla Fashion Excellence Day is our flagship platform for celebrating excellence, innovation and high performance across the organisation. The annual event brings together employees from across businesses, brands, functions, retail operations and manufacturing units to recognise outstanding achievements that have created meaningful business impact. Through a comprehensive framework of individual, team, frontline, manufacturing and leadership awards, we honour employees who demonstrate exceptional execution, customer-centricity, innovation, collaboration and a commitment to our values. Beyond recognition, the event serves as a powerful platform for sharing best practices, inspiring future leaders and reinforcing a culture of continuous improvement. By celebrating the contributions of our trailblazers, problem-solvers and high-performing teams, we strength-

EMPLOYEE AND WORKER BENEFITS

	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	8,899	5,033	57%	8,899	100%	0	0%	8,899	100%	0	-
Female	4,536	1,987	44%	4,536	100%	4,536	100%	0	0%	0	-
Total	13,435	7,020	52%	13,435	100%	4,536	34%	8,899	66%	0	-
Permanent Workers											
Male	1,198	869	73%	1,198	100%	0	0%	1,198	100%	1,198	100%
Female	92	11	12%	92	100%	92	100%	0	0%	92	100%
Total	1,290	880	68%	1,290	100%	92	7%	1,198	93%	1,290	100%

PARENTAL LEAVE

Parameters	Male	Female
Total employees who took parental leave	37	10
Total number of employees who returned to work in the reporting period after parental leave ended	36	7
Total number of employees who returned to work after parental leave ended and are still employed 12 months after their return to work	36	7
Return to Work Rate	97%	70%
Retention Rate	100%	100%

en employee engagement, foster organisational pride and encourage our people to set new benchmarks for excellence across the fashion and retail value chain.

LAMA (Long and Meaningful Association):

We also place strong emphasis on recognising long-term commitment through our milestone recognition programme, LAMA (Long and Meaningful Association). Through LAMA, we recognise employees who have dedicated 5, 10, 15, 20, 25, and 30+ years of service to ABFRL. These moments go beyond formal recognition, acknowledging not only the individual's journey but also the support of their families. Collectively, these initiatives create a multi-touch, organisation-wide culture of appreciation, where recognition is continuous, inclusive, and meaningful.

Human Capital Development

We view the development of our people as a strategic lever for long-term success. Our approach goes beyond traditional learning frameworks wherein, we aim to create an environment where growth is continuous, self-driven, and deeply integrated into everyday work. Anchored by the Aditya Birla Group's Continuing Education Policy (CEP), we provide structured pathways that enable our employees to build capabilities, broaden perspectives, and prepare for evolving roles. This aligns closely with our Employee Value Proposition of offering "A World of Opportunities", empowering individuals to chart meaningful and future-focused careers.

In an industry shaped by rapidly evolving consumer behaviour and continuous technological advancement, adaptability remains critical. We view learning as an experiential journey, driven by real business challenges, cross-functional collaboration, and opportunities that push boundaries and unleash the potential of our workforce.

To support this, we have designed a comprehensive capability-building framework that addresses multiple dimensions of growth. We strengthen our retail workforce by equipping frontline teams with the skills and confidence needed to deliver exceptional customer experiences while preparing them for leadership roles. At the same time, we deepen functional expertise across roles, ensuring that our people are equipped with the knowledge and technical capabilities required to excel in an increasingly complex business environment.

Equally, we invest in shaping leaders who can inspire, influence, and lead with purpose, supported by programmes that focus on behavioural and leadership capabilities. As we look ahead, we are also prioritising the development of future skills, enabling our workforce to stay aligned with digital transformation and emerging trends in the retail sector.

Central to this journey is Elev8 - Aditya Birla Fashion's Functional University, which serves as our integrated learning platform. Elev8 brings together learning resources, development interventions, and growth opportunities into a single, accessible ecosystem, ensuring that every employee regardless of role or level can take ownership of their development. It reflects our belief that learning should be inclusive, continuous, and empowering.

Our learning ecosystem is intentionally designed to be inclusive, adaptive, and highly personalised. Through structured succession planning and early identification of high-potential talent, we ensure that capability building begins well ahead of role transitions. Employees are supported through a combination of mentorship, immersive experiences, and meaningful exposure to senior leadership networks across the Aditya Birla Group, enabling both accelerated growth and broader business understanding.

At ABFRL, learning is not constrained by formats or boundaries it is continuous, immersive, and future-oriented. It enables our people to think differently, perform better, and challenge conventional limits. More importantly, it equips them not just for their next role, but for the opportunities of tomorrow expanding mindsets, unlocking potential, and redefining what is possible in the evolving world of fashion and retail.

We place equal emphasis on measuring the impact of learning, rather than just participation. Our approach focuses on tangible outcomes behavioural shifts, manager feedback, and sustained improvements in performance ensuring that learning translates into real, lasting value. During the year, we invested an average of ₹536 per employee in learning and development, reinforcing our commitment to capability building at scale. Our employees collectively completed 2,89,084 hours of learning, reflecting strong engagement with development initiatives.

NUMBER OF TRAINING PROGRAMMES ON SKILL UPGRADATION*

FY 2025-26

Permanent Employees			
Category	**Total (A)**	**No. of employees/ workers covered (B)**	**% (B / A)**
Male	**8,899**	**4,246**	**47.71%**
Female	**4,536**	**6,933**	**152.81%**
Total	**13,435**	**11,179**	**83.20%**

Segment	Total number of training and awareness programmes held	Principles covered under the training and its impact	% of persons covered by training programmes
Board of Directors	1	Principle – 1,2,4,5,6	100%
Key Managerial Personnel	1	Principle – 2,4,5,6	100%
Employees other than BODs and KMPs	1,794	Principle – 1,2,3,4,5,6,7,8,9	100%
Workers	10	Principle – 1,2,3,4,5,6,7,8,9	93%

Our approach to identifying new training programmes is anchored in business relevance, on ground insights and structured capability assessment across brands. At Pantaloons, training needs are identified through Focused Group Discussions (FGDs) with relevant stakeholders and regular business connects, ensuring alignment with evolving operational priorities and customer expectations. At Sabyasachi, a rigorous, ground up approach is followed through observation and performance reviews, where line supervisors and L1 managers assess karigars' daily work behaviour, productivity and quality. This is complemented by a Skill Gap Analysis Sheet, mapping each karigar's current skill level (A/B/C grade) against defined departmental standards. Behavioural and safety aspects form mandatory learning modules for all employees, while a structured Training Capture Form records individual details, skill gaps and required training topics to

enable targeted interventions.

At TCNS, training programmes are identified through structured discussions with Heads of Departments (HODs), ensuring that learning initiatives are closely aligned with functional needs and business goals. Together, these approaches enable ABFRL to design relevant, need based and impactful training programmes across the organisation.

Behavioural and Leadership Development: Shaping Visionaries with Impact

During FY 2025–26, we continued to strengthen behavioural and leadership capabilities across our brands, with a strong focus on mindset, leadership effectiveness and organisational culture. At Pantaloons, initiatives such as Coaching for Upward Influencing, ASPIRE Business Strategy Simulation Program and Thrive: Career Stage Transition (SH to DH) supported leaders in managing scale, complexity and evolving responsibilities. Programmes including Situational Leadership: Building High Performance Teams, Leadership Agility, INSPIRE and the Chairman Series: Leadership Suite – Voice of Leader further enhanced people leadership, strategic thinking and decision-making capability.

At Sabyasachi, behavioural interventions reinforced core values through emphasis on work discipline, self-respect and hygiene, team behaviour, attitude and motivation, continuous improvement, work ethic & integrity, ownership and team coordination, strengthening a culture of excellence and accountability.

At TCNS, initiatives such as Growth Mindset, Lead the Change and People Manager Leadership Workshops were implemented across the value chain to build adaptable leaders, strengthen successor pipelines and enhance people management effectiveness.

Retail Competency Development

During FY 2025–26, we strengthened retail competency development to empower our frontline heroes and enable them to deliver distinctive, high quality customer experiences across stores. At Pantaloons, structured interventions such as the STAR Service Certification and Tejas enhanced selling capability, styling expertise and service behaviours, while deepening product knowledge and customer engagement skills. Learning was enabled through platforms such as Gyanmanch, supported by curated product handbooks and targeted selling skills modules, allowing associates to apply learning directly on the shop floor. These initiatives helped frontline teams build confidence, improve execution consistency and bring brand promise to life at every customer interaction, reinforcing strong store culture and operational excellence.

Functional Capability Development

In parallel, we at ABFRL strengthened functional capability development to support business performance, compliance and operational excellence across brands. Targeted functional learning interventions were designed to build role specific and domain capabilities across key functions such as retail operations, merchandising, sourcing, supply chain, finance and corporate functions. Together, these interventions supported the development of a skilled, compliant and future ready workforce aligned with ABFRL's values and business priorities.

Advancing Skills for a Digital and Evolving Future:

During FY 2025–26, we continued to advance digital capabilities across our brands to prepare our workforce for a rapidly evolving business environment. At Pantaloons, we launched an AI integrated Learning Management System (LMS), with a successful pilot conducted across 62 Pantaloons stores, enabling scalable, personalised and data driven learning. Digital capability building was further strengthened through initiatives such as Digital Savvy – Fashion in the Digital World, Data Analytics, PLM, Advanced Excel, Data Storytelling and Thriving in Uncertainty Digital Transformation, supporting stronger digital adoption and analytical decision making across retail and corporate teams. Programmes such as AI for Business Transformation, Tech Gurucool and Design Thinking (IT) enhanced digital fluency and innovation led problem solving.

At TCNS, digital learning was institutionalised through the Gyanodaya Virtual Campus, creating a structured platform for continuous digital upskilling. Collectively, these initiatives strengthened digital readiness, enabled technology led transformation and supported the development of a future ready workforce aligned with ABFRL's growth ambitions.

Cultural Capability Development

1.Coaching for Cultural Transformation – Building Leaders Who Unlock Potential Culture shifts when leaders change how they lead. Our Coaching for Cultural Transformation initiative is an eight-month, ICF-accredited certification programme that embeds coaching as a core leadership behaviour at ABFRL. Through a structured journey of mindfulness practices, deep listening, and powerful questioning techniques, participants develop the ability to guide, support, and inspire their teams more effectively. The programme empowers leaders to foster a culture of growth, continuous development, and high performance, enabling every individual to bring their best self to work and realise their full potential.

2.Enterprise Risk Management Training – Strengthening Agile and Responsible Leadership In a dynamic, ever-changing market, risk awareness is not optional it is a leadership imperative. Our Enterprise Risk Management Training is a two-day, classroom-based, experiential learning intervention designed to build robust risk assessment and mitigation capabilities among leaders. Through action-based exercises, case studies, and real-life scenario planning, participants learn to identify, assess, and proactively manage enterprise-level risks. This capability strengthens decision-making agility, reinforces governance excellence, and builds resilience within our leadership pipeline— ensuring we stay ahead of challenges while driving sustainable growth.

3.Being a Mentor – Creating a Culture of Shared Growth and Guidance We believe great cultures are shaped by leaders who lift others as they rise. Our Being a Mentor programme equips employees with the skills to nurture talent, share wisdom, and inspire the next generation of leaders. This two-day virtual intervention, supported by reference videos, hands-on exercises, and real-world application scenarios, builds self-awareness, sharpens communication skills, and enhances interpersonal effectiveness. By the end of the programme, participants are confident and competent mentors, able to guide others meaningfully while reinforcing our culture of learning and collaboration.

4.Managerial Effectiveness – Empowering Leaders to Decide, Delegate, and Deliver Our Managerial Effectiveness programme is an initiative aimed at strengthening decision-making agility, coaching capabilities, and team management effectiveness among our middle-management cadre. The programme focuses on connecting meaningfully with teams, implementing the GROW coaching model, delegating effectively using FIRO-B learnings, and driving structured team reviews through well-defined agendas, clear accountability, and consistent review cadences.

5.Retirement Transition Programme – Supporting Life Beyond the Workplace We see leadership as a lifelong journey, not just a career phase. The Turning a New Leaf – Planning for Retirement programme, under the ABG Gyanodaya initiative, supports senior managers approaching retirement with tools, reflections, and planning frameworks to navigate this important life stage. Through self-assessment questionnaires, interactive group discussions, and guided reflections (involving spouses where relevant), participants are empowered to design a personalised transition plan that balances professional closure, emotional well-being, and future aspirations. This initiative ensures that every leader feels valued, supported, and connected to our purpose, even as they step into a new chapter of life.

Measuring Training Effectiveness

We evaluate the effectiveness of training programmes through a combination of structured feedback, behavioural observation and business impact assessment across brands. At Pantaloons, effectiveness is assessed through participant feedback, reflective learning sessions and a Business Impact Matrix, enabling us to measure application of learning and linkage to operational and performance outcomes. At Sabyasachi, training impact is tracked through both qualitative and quantitative indicators, including training attendance and participation levels (with attendance averaging 95%), engagement during sessions, and observable improvements in safety understanding and behavioural awareness on the shop floor. Attendance and discipline indicators such as improved employee attendance (up to 50% improvement), reduction in absenteeism, and fewer disciplinary cases. At TCNS, training effectiveness is evaluated through post training discussions and structured feedback sessions with functional heads, focusing on practical application of learning and its impact on individual and team performance. Together, these mechanisms ensure continuous measurement, course correction and sustained value from learning interventions across the organisation.

Human Rights

At ABFRL, respect for human rights is a foundational principle that guides how we operate and engage across the organisation. We are committed to fostering a workplace where every individual is treated with dignity, fairness, and respect, and where equal opportunity is consistently upheld at every level.

Our Board approved Human Rights Policy, aligned with the UN Guiding Principles on Business and Human Rights, establishes a clear and robust framework for our commitments. It reinforces our uncompromising stance against discrimination, harassment, and any form of unfair treatment, extending across our employees, workers, and value chain partners.

These principles are embedded into our day-to-day operations through a comprehensive governance framework anchored in our Code of Conduct and supporting policies. From recruitment and development to performance management and workplace interactions, we integrate these standards across the employee lifecycle, ensuring consistency, accountability, and alignment with our commitment to uphold human rights.

Our approach is supported by structured monitoring and grievance redressal mechanisms that enable employees to raise concerns in a confidential, fair, and timely manner. During the reporting year, we further strengthened these systems to enhance effectiveness and transparency. We introduced a Values Governance and Consequence Management Toolkit, enabling a consistent and fair approach to handling values-related matters across business units. This was complemented by the implementation of a standardised operating procedure (SOP) covering the reporting, investigation, and closure of cases, ensuring uniformity and clarity in processes.

We also established a structured consequence management framework, aligning actions with the nature and severity of cases, while balancing corrective and disciplinary measures. In addition, improvements were made to case tracking, documentation, and periodic review mechanisms, enabling better oversight, accountability, and timely resolution.

These enhancements reflect our commitment to strengthening trust and ensuring that every concern is addressed with integrity and sensitivity. During the reporting year, there were no human rights-related complaints or cases reported, reflecting the effectiveness of our policies and practices.

Through these sustained efforts, we continue to reinforce a culture where respect for human rights is not only a policy requirement but a lived organisational value.

Human Rights Commitment

At ABFRL, human rights extend beyond compliance. They represent our commitment to fostering an environment defined by safety, respect, and fairness for every individual across our ecosystem.

We adopt a proactive approach to safeguarding human rights by strictly prohibiting practices such as modern slavery, child labour, forced or involuntary labour, human trafficking, and all forms of harassment. We maintain a zero-tolerance stance on discrimination and are committed to ensuring equitable treatment irrespective of race, caste, religion, colour, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other legally protected characteristic.

This uncompromising approach is embedded across our operations and upheld through robust governance frameworks. We are also committed to protecting vulnerable and under-represented groups, including women, migrant workers, minorities, and indigenous communities. During FY 2025–26, there were no reported incidents involving indigenous communities, reflecting our strong preventive focus.

Additionally, we uphold fair working conditions and equitable remuneration practices through regular monitoring of working hours, adherence to overtime norms, and ongoing engagement with employee and worker representatives to ensure safe, compliant, and inclusive workplaces across all locations.

Respect for individual rights is further reflected in our support for the freedom of association. We uphold every employee's right to freely form or join trade unions without fear of retaliation. Currently, none of our workforce is covered under collective bargaining agreements, and we ensure that employees are provided with a minimum of 60 days' notice for any significant operational changes, in alignment with union agreements.

Membership of employees and workers in association(s) or Unions

Parameters	FY 2025-26		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union(s)	% (B/A)
Total Permanent Workers	**1,290**	**0**	**0**
Male	**1,198**	**0**	**0**
Female	**92**	**0**	**0**

Our responsibility extends beyond the organisation, encompassing our broader value chain. All suppliers, contractors, and business partners adhere to our human rights standards as a fundamental condition of engagement, promoting ethical conduct across all touchpoints.

Through these structured and sustained efforts, we strive to ensure that respect for human rights remains deeply embedded in the way we operate, engage, and grow.

Human Rights Risk Management

At ABFRL, we recognise that safeguarding human rights requires more than intent it demands proactive systems, vigilant oversight, and continuous risk assessment. Our approach focuses on anticipating potential risks early and embedding preventive measures across our operations and value chain.

Through our **Human Rights Due Diligence Framework**, we undertake comprehensive and systematic risk mapping prior to entering any new partnerships, mergers and acquisitions, or joint ventures. This enables us to identify and mitigate potential human rights concerns at the outset.

We follow a proactive approach to human rights risk management across our operations and value chain. During FY 2025–26, we conducted extensive assessments across our operations and supplier ecosystem, covering key areas such as child labour, forced labour, sexual harassment, discrimination, human trafficking, freedom of association, equal pay, and wage compliance. These assessments extended across Tier 1 vendors, warehouses, retail stores, corporate offices, and in-house manufacturing facilities. While, no significant risks were identified during the reporting period, we maintain preventive mitigation action plans across 100% of our operational sites and key suppliers through established policies, due diligence processes and ongoing monitoring mechanisms.

To further reinforce our preventive framework, we introduced targeted initiatives aimed at strengthening control and transparency. These included the implementation of Aadhaar-based age verification systems across manufacturing sites to mitigate child labour risks, expansion of anonymous feedback channels to enable safe and confidential reporting of workplace concerns and enhanced inclusive hiring protocols to minimise potential bias and discrimination. In addition, we strengthened our contractor management processes through more robust onboarding documentation and clearly defined safety and compliance expectations, ensuring ethical labour practices across contract workforces.

Through these structured and forward-looking measures, we aim to ensure that human rights risk management remains embedded, proactive, and integral to our operational excellence.

Human Rights Awareness

During the year, we conducted a series of awareness initiatives focused on the prevention of sexual harassment, primarily through internal communication campaigns, e-learning refresher modules, and targeted messaging across employee groups. Following the demerger, we further strengthened our efforts by conducting a full-day, in-person training session on Prevention of Sexual Harassment for the Internal Complaints (IC) Committee members in July 2026. This session, led by an external expert, was specifically designed to address the requirements of operating as a newly listed entity and to reinforce statutory compliance and governance standards.

Our commitment to awareness is further reflected in our structured training programmes. During FY 2025–26, we delivered 5,819 hours of dedicated human rights training through e-learning platforms across corporate, retail,

and manufacturing teams. Key topics covered included the Prevention of Sexual Harassment (POSH), the ABFRL Human Rights Policy, Code of Conduct, and Supplier Code of Conduct. 100% of our security personnel who are engaged through third-party organisations received human rights training.

To ensure that these principles are embedded from the outset, all new employees undergo induction programmes that introduce them to our human rights standards, fostering a culture of respect, inclusion, and ethical behaviour from day one.

HUMAN RIGHTS TRAINING			
Employees	**FY 2025-26**		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)
Permanent	13,435	11,652	86.70
Other than permanent	7,012	24	0.34
Total Employees	20,447	11,676	57.10
Workers			
Permanent*	1,290	1,290	114.49
Total Workers	**1,290**	**1,290**	**114.49**

Grievance Redressal

We have established a transparent, accessible, and robust grievance redressal system that ensures every issue is addressed with fairness, confidentiality, and accountability.

We have also institutionalised robust mechanisms to ensure a safe and respectful workplace. An Internal Complaints Committee, constituted in line with the POSH Act, is responsible for the timely and effective handling of complaints. Employees have access to multiple reporting channels, including a toll-free hotline, enabling them to raise concerns directly with the ABFRL Value Committee, HR, or their managers with confidence. Additionally, all our employees are provided with training on the use of these reporting channels, in line with our whistleblowing policy.

Our grievance framework is anchored in a fully digital, end-to-end complaint management system, enabling the efficient handling of Code of Conduct violations and Prevention of Sexual Harassment (POSH) cases. Each business unit is supported by dedicated and trained committees for both Values-related matters and POSH, with the latter comprising an external member in accordance with statutory requirements. These committees conduct thorough and unbiased investigations, ensuring that every complaint undergoes appropriate scrutiny prior to resolution.

Our broader governance framework is supported by multiple policies and mechanisms that reinforce ethical conduct and safe reporting. These include our Anti-Fraud Policy, Vigil Mechanism, and Whistleblower Policy, which provide secure and accessible channels for employees, partners, and vendors to report concerns or potential violations. The integrated Complaint Management System (CMS) enables real-time tracking, case categorisation, and analytical insights, enhancing transparency, responsiveness, and oversight.

All grievances are routed through Integrity Matters, our third-party managed platform, which allows reporting via multiple channels, including email, telephone, website, and postal communication. This ensures both accessibility and strict confidentiality, while enabling complete traceability of each case. To maintain consistency and control, complaints are not accepted through informal or offline channels. Defined timelines are adhered to, with resolution of Values-related cases within 30 days and POSH cases within 90 days, aligned with regulatory norms.

During FY 2025–26, 119 complaints related to values violations were reported, with 13 cases pending resolution at the end of the reporting period. Zero case of workplace discrimination was reported. These disclosures reflect a culture of openness and trust, where individuals feel confident in raising concerns, secure in the knowledge that their voices will be heard and addressed without fear of adverse consequences.

POSH Complaints	FY 2025-26
Total complaints reported under Sexual harassment of women at workplace (Prevention, prohibition and redressal) Act 2013 (POSH)	13
Complaints on POSH as a % of female employees (permanent workers and employees)	0.28%
Complaints on POSH upheld	10

Occupational Health and Safety

At ABFRL, safety is a fundamental pillar of our operational excellence and a key enabler of sustainable growth. Anchored in our sustainability programme, ReEarth – For Our Tomorrow, we are committed to fostering a safe, secure, and resilient work environment that supports employee wellbeing while strengthening engagement and retention.

Safety Governance

We are cognizant that a workplace that is safe and sound is essential to attract talented and engaged employees. To ensure safety, we have a dedicated Business Review Council (BRC) at the board level that oversees the overall implementation of our safety policies and reviews its performance quarterly. Our three-tier approach to safety performance includes an initial review by the site safety committee followed by the business safety committee/sub-committee and finally by the Business Review Council. The CSO monitors OHS performance and communicates with the Management Committee and RMSC. Further, the RMSC provides oversight on safety-related matters and strategies.

Safety governance is reinforced through site-level committees comprising equal representation from management and employees, fostering collaboration and shared ownership. Workers actively contribute to risk assessments and improvement initiatives, while regular meetings are held to review performance, address risks, and drive accountability.

A structured incident reporting and investigation framework ensures that all incidents and near misses are promptly reported, recorded, and addressed. Incidents are escalated to the relevant area in-charge, safety officer, HR manager, and facility manager, in line with the defined reporting matrix communicated across the organisation. All events are logged through the ReEarth Sustainability Portal, with designated personnel responsible for timely reporting based on incident severity.

Worker Participation and Consultation

We actively promote meaningful worker participation and consultation across all stages of our OHS Management System, including its development, implementation, and evaluation. This is enabled through structured mechanisms that encourage engagement, ownership, and continuous feedback.

A formal Joint Safety Committee is established across all manufacturing and warehouse facilities, with equal representation from management and workers. Worker representatives are elected at regular intervals, ensuring fair representation and active participation. The committee meets monthly at manufacturing facilities, sampling units and warehouses to review OHS performance, discuss hazards, and drive continuous improvement.

In addition, our Safety Observation Programme fosters proactive engagement between supervisors, line managers, and workers on the shop floor. Observations on safe and unsafe behaviours and conditions are systematically recorded and analysed, with insights fed into the HIRA process and corrective action plans.

We also provide multiple channels for hazard and near-miss reporting, including direct reporting to supervisors, safety registers, and digital platforms. All reported concerns are acknowledged, investigated, and addressed, with feedback provided to the reporting individual, reinforcing transparency and trust.

Managers and line leaders actively engage with workers to identify risks and encourage open reporting of safety concerns. Site-level safety committees promote employee participation and shared responsibility in maintaining safe workplaces.

Our Approach to Occupational Health and Safety

During FY 2025–26, we strengthened our Occupational Health and Safety (OHS) framework to ensure comprehensive coverage across all operational sites, aligned with applicable legal and regulatory requirements. Standard Operating Procedures (SOPs) have been systematically implemented across manufacturing facilities, sampling units, warehouses, and retail locations, driving consistency and discipline in safety practices across the organisation.

Our approach is anchored in continuous risk assessment, proactive mitigation, and ongoing performance improvement. This has delivered tangible outcomes, including zero workplace fatalities during the year, reflecting the robustness of our systems and the strong commitment of our workforce.

Routine safety inspections are conducted at defined intervals across shop floor and facility levels, using standardised checklists covering equipment, housekeeping, Per-

sonal Protective Equipment (PPE) compliance, and safe work practices. Annual internal audits, undertaken by qualified and cross-functional teams, assess the overall effectiveness of the OHS management system, with findings categorised by risk severity- high, medium, or low to enable prioritised action. Key observations, particularly high-risk issues, are escalated to senior leadership through established governance mechanisms, ensuring timely decision-making and effective closure.

Following any incident, an investigation team is constituted to conduct root cause analysis, with corrective and preventive actions (CAPA) implemented within defined timelines to prevent recurrence. This process is supported by digital tools, including QR-based reporting systems, which enable employees to easily raise safety concerns and enhance reporting transparency.

To strengthen prevention and mitigation, we enhanced the reporting and monitoring of safety observations and near-miss incidents through our digital EHS systems. Guided by the Heinrich Safety Triangle principle, we adopted a proactive approach focused on early identification and resolution of risks before they escalate into Lost Time Injuries (LTIs) or serious incidents.

We conducted regular internal and external safety audits, inspections, and compliance assessments to identify gaps and implement CAPA. Structured risk registers were maintained to track critical risks and infrastructure improvements, with high-priority observations reviewed through management governance forums to ensure timely closure.

To further strengthen operational control, high-risk and non-routine activities are governed by a structured Work Permit System, ensuring appropriate safeguards are in place before work begins. The Lockout–Tagout (LOTO) system is rigorously implemented to control hazardous energy, supported by engineering controls. In addition, clear Operating Control Procedures (OCPs), regular training, and a well-defined PPE matrix ensure the safe execution of tasks across all functions.

Periodic self-assessments are also conducted to evaluate preparedness in critical areas such as fire safety and emergency response, reinforcing our commitment to continuous improvement and operational resilience.

This framework is further strengthened through external audits conducted at selected facilities by independent third-party bodies, providing objective validation of compliance and implementation effectiveness.

Safety is embedded across the entire lifecycle of our operations, including new projects, expansions, modifications, and acquisitions. Each initiative undergoes comprehensive risk assessment followed by structured mitigation planning. A robust change management process ensures that emerging risks are proactively identified and addressed, while an inherently safer design approach minimises risks at source.

Safety Management System

Our OHS Management System is aligned with the ABG Technical Standard, designed to enable a Zero Harm environment. It encompasses eight core elements: leadership commitment; policy and strategic objectives; organisation, resources and competence; risk evaluation and management; planning, standards and procedures; implementation, monitoring and reporting; inspection and assurance; and management review. These elements are supported by detailed sub-components to ensure rigour, consistency, and accountability at every level. All our operational sites, employees and workers are fully covered by an occupational health and safety management system that complies with legal requirements and recognised standards.

Risk Assessment and Monitoring

Our Hazard Identification and Risk Assessment (HIRA) process provides a comprehensive framework for evaluating risks across physical, electrical, fire, chemical, ergonomic, and psychosocial domains. Identified hazards are assessed based on their level of significance, and appropriate control measures are implemented in line with the hierarchy of controls, including elimination, substitution, engineering controls, administrative controls, and the use of PPE.

HIRA is reviewed periodically, following incidents, and prior to the introduction of new activities, ensuring its ongoing relevance and effectiveness. Insights from near-miss and incident investigations are systematically fed back into the process to drive continuous improvement.

This internal framework is further strengthened through external assessments at selected sites, validating alignment with applicable OHS standards. In addition, a dedicated monitoring application tracks critical parameters such as temperature, pressure, and fire system performance, enabling real-time alerts and timely interventions to proactively manage risks.

To enhance preventive controls and emergency preparedness, we also implemented an IoT-based Real-Time Safety Equipment Monitoring System (RSEMS) at select critical locations, including Jaypore/S&N Warehouse (Noida), Shantnu & Nikhil Head Office (Noida), and Pantaloons distribution centres across regions. This system enables real-time monitoring of critical infrastructure such as fire pumps, alarm systems, UPS room conditions, and fire water tanks ensuring operational readiness, early detection of anomalies, and timely intervention.

During the reporting year, a third-party agency conducted safety audits across key locations. This includes safety audits at 49 stores and four warehouses to ensure compliance with safety standards. Additionally, fire and electrical safety audit was conducted at TCNS facility- office, warehouse and sampling unit.

Performance Tracking Framework

To complement our risk management approach, we track OHS performance through a robust MIS-driven framework that includes both lagging and leading indicators, monitored monthly across all facilities.

Lagging Indicators	Leading Indicators
• First aid case • Medical Treatment case • Restricted Work Injury • Lost Time Injury • Fatality • Fire Incident • Property Damage • Dangerous Occurrence • Natural Calamity • LTIFR (Lost Time Injury Frequency Rate) & • TRIR (Total Reportable Injury Rate)	• Near Miss Reported • Unsafe Condition Reported • Unsafe Act Reported • Safety / EHS Legal Compliance ScoreNo. of Safety Committee Points • No. of Work Permits Issued (for non-routine hazardous work • No. of activity reviewed as per risk assessment (HIRA) • No. of changes reviewed (Management of Changes (MoC)) • Monthly Safety Inspection Score - ReEarth Portal • Company Motor Vehicle Audit Score • Occupational Health Index (OHI) • No. of Mock Drills & Training Man Hours

HEALTH AND SAFETY INCIDENTS

Parameters	FY 2024-25		FY 2025-26	
	Employees	Workers	Employees	Workers
Total manhours worked (million manhours)	28.48	16.63	32.24	14.75
Fatalities as a result of work-related injuries (Nos.)	0	0	0	0
High consequence work-related injuries (excluding fatalities) (Nos.)	0	0	0	0
Recordable work-related injuries (Nos.)	50	48	36	50
Lost Time Injuries (Nos.)	5	0	02	5
Lost Time Injuries Rate (LTIR)	0.01	0	0.01	0.07
Lost Time Injury Frequency Rate (LTIFR)	0.07	0	0.06	0.34
Total no. of affected employees/workers	0	0	0	0
No. of employees/workers rehabilitated	N.A.	N.A.	N.A.	N.A.

Safety Management System flow plan

All OHS data is captured through a centralised MIS system, ensuring real-time visibility and consistency across sites. This data is validated and reviewed monthly by safety officers and EHS leadership, with performance insights consolidated into reports shared with facility heads and senior management.

This structured review process enables informed decision-making, strengthens accountability, and ensures timely corrective action. Where performance falls short of targets, root cause analyses are conducted and corrective actions implemented within defined timelines. Targets are reviewed annually in line with performance trends and benchmarks.

High-risk observations are prioritised for immediate closure, particularly critical issues such as electrical hot-spots and earthing system deficiencies. Process-related gaps are systematically addressed through corrective measures and reinforced through continuous monitoring to ensure sustained compliance. In parallel, infrastructure-related improvements such as the provision of dedicated areas for UPS battery banks and boiler operations are being undertaken to further enhance safety and operational reliability.

We actively encourage and incentivise employees and contractual workers to identify, report, and escalate health and safety risks, including those arising across the value chain, through our structured Safety Recognition Programme. This approach reinforces a proactive safety culture and promotes shared responsibility for risk identification and prevention.

In addition to formal recognition, we offer a range of non-monetary incentives to acknowledge and motivate safety contributions. These include public appreciation during safety committee meetings and featuring individuals in internal safety newsletters and communications, thereby reinforcing positive behaviours and encouraging wider participation across the organisation.

During the reporting period, 100% of our manufacturing facilities, sampling units and warehouses were assessed for health and safety practices and working conditions. We reported 356 health and safety observations in FY 2025-26. All observations were successfully resolved by year-end.

Through these comprehensive initiatives, we continue to strengthen our commitment to employee well-being ensuring that health, safety, and care remain central to the employee experience at ABFRL.

In parallel, we reinforced workplace safety through continuous training, awareness programmes, emergency preparedness initiatives, and strengthened safety controls. We also undertook targeted capital investments and safety improvement projects to reduce operational risks and support our commitment to achieving a Zero Harm workplace.

Occupational and Non-Occupational Health Services

We recognise that a safe workplace extends beyond physical safety to encompass the overall well-being of our people. We have therefore adopted a holistic approach that integrates both occupational and non-occupational health, ensuring that our employees are supported physically, mentally, and emotionally. All manufacturing facilities are equipped with Occupational Health Centres staffed by a Medical Officer and trained nursing personnel. These operate on all working days and are accessible to both permanent and contractual employees, ensuring prompt medical support and preventive care.

Preventive & Surveillance Measures:

We conduct periodic medical examinations and targeted health surveillance for employees in high-risk roles, enabling the early identification and management of potential health concerns. Any occupational disease cases are systematically tracked, reported, and addressed through the OHC framework, ensuring continuous monitoring and improvement.

We actively promote a healthy work environment through a range of initiatives, including maintaining all facilities as non-smoking zones, providing balanced and nutritious meals, and ensuring ergonomically designed workstations. We also encourage active lifestyles and community engagement through annual sports events and wellness activities. To support mental well-being, we conduct regular awareness and training programmes and have introduced a Mental Health First-Aiders Programme, delivered in partnership with a third-party NGO, to equip employees with the skills to offer initial support and guidance.

Our commitment to mental health is further reinforced through initiatives such as the observance of World Mental Health Day, collaboration with Mpower for professional counselling and specialised support, along with a provision of dedicated mental health leave as part of our leave policy.

We empower our employees and contract workers to prioritise their safety through clearly defined policies that allow them to remove themselves from work situations they perceive as unsafe or potentially harmful. This right is formally embedded within our OHS Management System and aligns with the Factories Act 1948, and applicable labour regulations.

We ensure comprehensive awareness of this right through structured communication and training mechanisms, including employee and contractor induction programmes, safety notice boards across all facilities, and regular safety training sessions and toolbox talks. Supervisors are responsible for responding promptly to any such concerns, ensuring that issues are addressed effectively while fostering a safe, supportive, and trust-based work environment.

Safety Training

At ABFRL, we are committed to building a proactive and resilient safety culture by engaging employees at every level through structured training and awareness initiatives. To ensure preparedness for emergencies, we conduct regular response drills across all facilities in line with regulatory requirements.

We train selected employees as part of our Emergency Response Team (ERT), equipping them with essential skills in evacuation, basic first aid, and firefighting. These drills enhance response readiness and enable faster, more effective action during emergencies. Each drill is followed by structured debrief sessions to identify improvement areas and implement corrective measures.

Post demerger, we redesigned our safety training framework to reflect the distinct operational environments and risk profiles across retail, warehouse, and manufacturing sites. We introduced enhanced training modules with a stronger focus on practical application, behavioural safety, and operational risk awareness.

Our training content incorporates visual elements, real-life case studies, videos, and scenario-based learning to improve engagement and retention. Programmes are tailored to address key risks such as fire safety, emergency response, electrical hazards, material handling, machine safety, ergonomics, and safe work practices relevant to each function.

To strengthen knowledge dissemination, we implemented a structured Train-the-Trainer model. Our corporate safety team trains mid-level leaders including Area and Store Managers who in turn conduct sessions for frontline employees and contract staff. This approach improves reach, drives accountability, and reinforces safety practices across all locations.

Induction programmes are conducted to familiarise all new employees and contractors with OHS rights, responsibilities, and reporting mechanisms. These are reinforced through regular toolbox talks and daily safety briefings, which keep workers informed of site-specific risks and promote adherence to safe work practices. Ongoing refresher training ensures sustained awareness and competency.

We have also introduced digital training modules and safety videos across our retail network, supported by online assessments to evaluate learning outcomes. Employees who successfully complete these modules receive e-certificates, encouraging active participation and ownership. This is complemented by regular classroom sessions and on-ground awareness programmes across operational sites.

During the year, we delivered 90,801 man-hours of safety training, highlighting our continued investment in building organisational capability. This increased investment in training has contributed to a measurable improvement in performance, with training hours rising compared with the previous year and a corresponding reduction in lost-time injuries (LTIs).

We also conduct dedicated safety weeks and awareness campaigns featuring interactive activities that reinforce key safety behaviours.

Through these sustained efforts, we continue to empower our employees with the knowledge, skills, and confidence needed to contribute to a safe and secure workplace. In the reporting year, 100% of our employees and workers were provided training on Health and Safety.

Awards and Recognition

Our commitment to excellence in occupational health and safety has been recognised through prestigious external accolades. During the year, we were awarded the International Safety Award 2026 by the British Safety Council for four of our facilities, highlighting the strength and effectiveness of our safety management framework.

Intellectual Capital

PANTALOONS

FOCUS AREAS

CIRCULARITY IN FASHION › PRODUCT INNOVATION › DIGITALISATION › DATA SECURITY

KEY HIGHLIGHTS

1,171
TRADEMARKS HELD

18
PATENT FILED

0
CASES OF DATA BREACH

25
COPYRIGHTS OBTAINED

CONTRIBUTION TO UN SDGS

INTERLINKAGE WITH OTHER CAPITALS

- Manufactured Capital
- Natural Capital
- Financial Capital

MATERIAL TOPIC LINKAGE

DATA PRIVACY AND SECURITY | COMPETITIVE POSITIONING | R&D AND INNOVATION MANAGEMENT | SUSTAINABLE PACKAGING | SUSTAINABLE RAW MATERIAL | SUSTAINABLE PRODUCT

We leverage the expertise of our people, strong process knowledge, and a culture of innovation to remain aligned with changing technological advancements and evolving customer preferences. As an expanding fashion and retail organisation, we view intellectual capital as a critical enabler of our performance. The expertise and collective creativity of our experienced professionals remain central to exceeding customer expectations and driving growth. Our Retail Centre of Excellence helps us drive consistency, efficiency, and better customer service across our retail network. We safeguard our innovations through a substantial intellectual property portfolio including patents, copyrights and trademarks. As part of our commitment to innovation, we foster partnerships with the Circular Apparel Innovation Factory (CAIF) and GIZ's develoPPP project to advance sustainability in fashion and develop new solutions for the sector.

Our sustained commitment to advancing sustainability in fashion has been acknowledged in a Harvard Business

Review case study titled "**Aditya Birla Fashion and Retail: Stitching Sustainability**," underscoring our innovative approach and the tangible outcomes of our initiatives in this space.

Accelerating Circularity in Fashion

At ABFRL, sustainability and circularity are embedded across the product lifecycle—from design and material selection to manufacturing, consumer use and end-of-life management. We prioritise durable design, responsible sourcing and resource-efficient production to extend garment lifecycles and reduce waste. The use of lower-impact materials, including BCI cotton, recycled polyester and biodegradable fibres, helps minimise our environmental footprint.

Our clothing take-back programme and recycling partnerships support the reuse and repurposing of textiles, while brands across our portfolio are advancing circularity through innovative initiatives. Jaypore upcycles sarees into contemporary apparel, and Shantnu & Nikhil's Buy Back Programme encourages customers to return used garments for store credit. Recognised by the Ellen MacArthur Foundation's Circular Design for Fashion programme, our approach is supported by clear governance, accountability and ongoing efforts to strengthen circular economy practices and create long-term value.

We also actively collaborate with national and global industry platforms and organisations, including RECEIC, BIS, Textile Exchange, ICC, WBCSD, and ESG Task Forces, to contribute to industry-wide sustainability priorities, share best practices, and advance responsible and sustainable business practices.

Accelerating Circularity in Indian Textiles: Aditya Birla Fashion–GIZ develoPPP Project

To advance circularity in the Indian textile and apparel sector, Aditya Birla Fashion partnered with GIZ Germany under the three-year develoPPP programme. Launched in 2021, the Approaches for Circular Textiles and Apparel Industry in India (ACT) project promotes circular practices through innovation, capacity building and collaboration across the value chain. Implemented with the Centre for Environment Education (CEE) and supported by the International Council for Circular Economy (ICCE) as knowledge partner, the initiative brings

together industry and development expertise to drive sector-wide change.

Guided by a multi-stakeholder Steering Committee, the project focuses on strengthening industry capacity to adopt circular business practices. Key areas include reducing harmful inputs, advancing textile recycling, extending product lifecycles through reuse, and promoting alternative materials and renewable energy. Contributing to SDGs 5, 8, 10, 12, 13 and 17, the initiative supports a more inclusive, resource-efficient and low-waste textile value chain.

Key Components & Milestones

CIRCULARITY BASELINE ASSESSMENT

To build a clearer view of circularity across the textile industry, a pan-India assessment was carried out to map key challenges, identify high impact areas, and define intervention priorities. The survey brought together perspectives from more than 90 stakeholders, spanning textile mills, garmenting units, processing and dyeing units, waste processing agencies, brands, retail stores, consumers, government ministries and associations, as well as academic institutions. The insights from this comprehensive assessment were officially launched at the International Circular Economy Forum (ICEF) held in New Delhi.

Innovation Challenge

An innovation challenge was conducted on GIZ leverist platform to identify scalable circularity solutions. The initiative received 87 submissions, out of which 9 were shortlisted for industry adoption following evaluation by an external jury. All innovations were compiled into a booklet that was officially launched at Bharat Tex in the presence of the Joint Secretary and senior representatives from Aditya Birla Fashion and GIZ.

Demonstration Project

We identified three circularity projects from the innovation challenge and successfully implemented in brands. While the remaining projects were made available for adoption by other industry stakeholders.

Capacity Building on Circularity

A comprehensive training curriculum was developed, consisting of three tailored modules for the leadership team, middle management, and trainers. The programme was rolled out across nine key textile clusters in India, reaching 426 participants from diverse stakeholder groups. As part of the initiative, a two day Training of Trainers (ToT) programme was conducted, covering Circular Fashion, Advanced Waste Management, Circular Business Models, and Innovative Circular Strategies. This initiative resulted in the creation of a pool of 26 certified trainers from senior and middle management levels.

Development of Guidelines

The 'Stitching the Circle' Circularity Guidelines and Manifesto were developed through an extensive stakeholder engagement process, including seven focus group consultations across textile clusters in India and the broader textile value chain. The process brought together over 300 stakeholders, along with a dedicated 24-member working group representing brands, academia, recyclers, textile mills, NGOs, and innovators. Guided by three key priorities: strong stakeholder engagement, key performance metrics for benchmarking, and dissemination to industry and government- the draft was refined through multiple consultations and finalised by the working group. The guidelines were officially released at the Sankalp Summit and Bharat Tex, marking an important step in advancing circularity across the industry. The guideline establishes circular economy practices clearly and offers a structured pathway to reduce dependency on virgin resources and promote waste-to-value initiatives.

Communications

The Aditya Birla Fashion-GIZ collaboration gained strong visibility through coverage across leading media outlets, industry conferences, global forums, and social media platforms. The Circular Business Guidelines were disseminated with over 5,000 stakeholders within the Indian textile sector, fostering broader industry awareness and engagement on circularity.

Driving Alignment through Knowledge and Advocacy

An industry working group was formulated to strengthen alignment and collaboration across stakeholders. We carried out a detailed mapping of global policies, which led to the development of a policy white paper aimed to support circularity efforts in the Indian textile sector. In addition, advocacy efforts continued through participation in industry forums and active engagement with government bodies to support broader systemic change.

Digital Intelligence at ABFRL

Our intellectual property portfolio comprises 1,171 trademarks, 25 copyrights, 18 patents, and 5,221 designs, further strengthening our competitive position in the industry. We are committed to leveraging digitalisation to accelerate e-commerce, build stronger connections with our brands, and enhance operational efficiency. Through this strategy, we aim to equip our organisation with intelligence, agility, and sustainability, enabling innovation and growth in alignment with our long-term vision. We continue to strengthen our focus on AI and technology-led growth. In FY 2024-25, we successfully rolled out mobile applications for additional brands, including Jaypore and Tasva, enhancing digital accessibility and customer engagement. At the same time, we expanded our delivery footprint to key global markets, with a growing presence across North America and the Middle East.Technology initiatives are taken up jointly with business teams, with expected outcomes such as topline impact or bottomline improvement and risk reduction clearly defined in the business case. These business cases are then reviewed and approved jointly by business and IT leadership. We are also progressing steadily towards enabling same-day and next-day delivery to offer quicker and more seamless

experiences. By integrating Gen AI-powered solutions across our e-commerce and operational ecosystem, we are further advancing digital transformation. In addition, our new LLM-based search engine understands browsing behaviour to deliver hyper-personalised product recommendations, suggest complementary and similar items, and enhance the overall customer journey in a more intuitive way.

Driving Digital Retail

To further improve our in-store customer experience, we have introduced self-service checkout across select Pantaloons outlets. This is especially aimed at easing long queues and managing crowding during busy festive seasons. The digital solution will allow customers to scan and pay for their purchases on their own, offering a simpler and faster alternative to conventional billing counters. As part of our larger push towards tech-enabled retail innovation, this initiative is focused on improving speed, efficiency, and customer satisfaction. The pilot project will serve as a blueprint for scalable deployment across more stores to meet evolving consumer expectations.

We have also rolled out a Customer Relationship Management (CRM) solution for our luxury portfolio, starting with Sabyasachi. This platform gives store teams better visibility into each customer's preferences, past interactions, product trials and the buying journey. Customisations made to the Sabyasachi Sales CRM have further supported customer engagement and sales visibility, contributing to ₹165 crore in sales. This tool enhances service quality by allowing more relevant conversations and tailored recommendations. By capturing information in real time, the tool supports the staff to deliver more refined experiences that feel exclusive, thoughtful, and aligned with each customer's unique styles.

We have also introduced customer-facing digital solutions, such as tool "Goblin" to improve service efficiency, and reduce manual effort. The tool has delivered annual savings of ₹2.2 Crore. In addition, an AI-based chatbox has been introduced which has reduced human handoffs by 70% and AI-based mail classifications has thereafter improved case handling by automatically classifying 80% of cases, delivering quicker resolution.

We have successfully scaled the Single View of Customer mobile application across all stores, equipping store managers with a tool to improve customer engagement and service. The platform offers real-time inventory visibility, enabling teams to check availability and place orders for out-of-stock items. During previous year, the solution was further extended to emerging businesses such as Tasva, widening its adoption across the portfolio. This tool allows staff to view customer purchase history, recommend products, check inventory, and order items not available in store, fostering better service and engagement.

Driving Digital Design

We have strengthened product design, through a comprehensive digitalisation initiative, integrating advanced technologies across end-to-end processes, from design inception to incorporating customer inputs. Utilising Artificial Intelligence (AI), we have streamlined artwork creation and design processes, with AI-led prompts shaping collections, improve design quality, and reduce physical sampling. Deploying 3D technology has expanded our range of assets and applications, optimising processes like design shortlisting, bookings, and marketing. Our 'Fabric Grading System' harnesses customer feedback gathered by frontline store staff, allowing our buying and merchandising teams to adapt quickly to market demands and ensure sustainable design practices that minimise waste and maximise resource efficiency.

Digital Solutions for Streamlining Operations

As part of a strategic transformation, we are adopting digital technologies to streamline operations across functions. These efforts are focused on driving agility, enhancing efficiency, and increasing transparency, while strengthening connectivity between systems and teams.

We are upgrading our data storage infrastructure by migrating our existing on premises data warehouse (Teradata) to a cloud based data lake, along with Databricks. This modern platform enables us to store both structured and unstructured data in digital format, enabling us to handle larger datasets, scale capacity on demand, and reduce energy consumption and carbon footprint. With cloud migration of both Databricks and SAP platforms, we have integrated our Point of Sale system and other applications, resulting in a reduction in data centre stacks from 22 to 5. The cloud-based architecture also supports faster innovation cycles, automatic upgrades, and lower TCO (total cost of ownership) via infrastructure footprint and more predictable subscription-based costs.

To reduce manual intervention and improve efficiency in digital cataloguing, we have automated cataloguing processes using AI enabled photoshoots and Gen AI for enhancing product descriptions. These initiatives support single source data management, minimise redundancy in data storage, and improve accessibility and usability across platforms.

The shift to a Single Digital Core with S/4 HANA, implemented across all business units during the reporting period, enables vertical integration from manufacturing to retail. It has simplified the integration landscape by consolidating multiple systems into one common technology foundation and enabling standardised integration with non-SAP applications through SAP CPI architecture. The platform supports one MIS and a common way of working across brands and businesses, while also strengthening process standardisation across key operations. It has also supported the revamp of e-commerce accounting by incorporating forward and return linkages in the omnichannel setup, reducing reconciliation issues across systems and enabling faster period-end closure. The platform provides a single view of inventory across channels, supports stock optimisation by matching demand and supply, and has reduced master data maintenance by up to 50% for warehouse extensions.

The adoption of S4 HANA Fashion Vertical Business (FVB) 2022 has helped reduce data duplication, streamlining processes, and optimising available system capacity. Combined with system integrations, this platform enables seamless communication between source and end state systems with minimal manual intervention. Enhanced traceability for apparel sent for job work has improved material tracking across operations, enabling stronger control over factory-level movement of goods and helping reduce theft and pilferage. The revamped reporting structure provides improved cost visibility through system-enabled brand-wise profitability, trial balance and balance sheet reporting. Supported by a single technology stack, the platform creates a scalable foundation across brands, functions and channels, enabling future growth, innovation, automation, and organic as well as inorganic expansion.

To strengthen transparency and accountability across our operations, we have implemented digital Product Lifecycle Management (PLM) solutions at Pantaloons and extended them to new and emerging business units, including Tasva and TMRW. The PLM system provides end to end visibility from product development to sale and helps integrate processes across functions. It connects internal teams and external suppliers, supporting collaboration across the journey from concept to shelf. The system supports digital tracking, unified data exchange, and real time stakeholder engagement, enabling better coordination, reduced manual effort, and improved compliance.

Analytics driven decision making is supported by action oriented dashboards across areas such as demand planning, supply planning, and customer insights. In line with this, during the year, we built several solutions including hyper local analytics for store level sales prediction, analytics on local events and weddings, an inventory control tower, and e-commerce analytics. These dashboards, backed by modernised applications, help convert data into meaningful and actionable insights. Sustainability data covering environment, CSR, product, packaging, and safety aspects is managed through our ReEarth Portal, which digitises data tracking for improved quality of disclosures.

Building a Secure Digital Enterprise

Our Information Security policy establishes a structured framework to safeguard systems and data, grounded on the principles of confidentiality, integrity, and availability. It applies to all associated individuals, including employees, trainees, vendors, contractors, and business partners. The policy outlines individual responsibilities across the workforce and specifies security requirements for third parties such as suppliers. It outlines measures for continuous improvement of security systems, ensuring integrity and data protection, and monitoring and responding to evolving risks. Personal data, encryption keys, and other sensitive information are handled only after appropriate legal and privacy evaluations. In the event of any breach, we take appropriate disciplinary action depending on the nature of violation.

Information security governance is organised such that each business unit's IT team reports to the respective Business Heads as well as the Chief Information Security Officer (CISO). IT and security functions are managed independently from the ABFRL Central IT framework for specific business entities, with separate governance and review mechanisms in place to address their respective compliance requirements. The CISO reports to the Chief Digital and IT Officer, who pro-

vides regular updates to the Board-level Risk Management and Sustainability Committee (RMSC). Cybersecurity strategy and monitoring are overseen by the management-level Information Security Committee, comprising six members. Oversight includes periodic corporate reviews to ensure consistency and effectiveness. Data privacy governance is embedded within the overall compliance framework, aligning it with broader regulatory and risk management processes.

We have established a risk assessment framework for Personally Identifiable Information aligned with our overall risk assessment approach. Risks are reviewed on an annual basis, and mitigation measures are implemented as required. All the staff is expected to report any security incidents and support related investigations as necessary.

Information Security Controls

Our IT systems and infrastructure are aligned with the ISO 27001 Information Security Management System standard and the NIST 853 framework, reflecting our strong focus on protecting information assets. During the previous year, we upgraded our certification to ISO 27001:2022. To uphold these standards, we carry out regular internal audits of our IT systems and infrastructure, along with reviews to ensure compliance with our Information Security Policy. These assessments help ensure consistent adherence and maintain system integrity across the organisation. We also undertake independent external audits aligned with ISO 27001 to validate both technical controls and policy implementation.

During the year, we enhanced our cybersecurity posture by strengthening protection and monitoring across critical layers of our IT environment. We have upgraded our Endpoint security from traditional antivirus systems to next generation Endpoint Detection and Response (EDR), enabling real time detection and response to cyber threats. Security of public facing websites has been reinforced through advanced controls, including DNS security measures to block malicious communications and prevent ransomware attacks, along with the deployment of Cloud Web Application Firewall (WAF) solutions to safeguard e commerce and other internet facing platforms.

Our cloud security capabilities have also been enhanced by improving visibility and risk management across AWS workloads, identities, and configurations. In parallel, identity protection has been strengthened through the implementation of next generation Privileged Access Management solutions, along with multi factor authentication controls for internal users and third party contractors, ensuring tighter control over access across the ecosystem.

Our security approach follows a defense in depth model, supported by multiple layers of controls. These include safeguards covering physical infrastructure, networks, identities, access controls, applications, endpoints, and data. All controls are continuously monitored through Security Incident and Event Management (SIEM) systems, managed by our dedicated security operations team. We also subscribe to cyber threat intelligence services that provide alerts on potential threats, enabling timely patching and preventive actions to mitigate risks.

We conduct annual vulnerability assessments and penetration testing using both internal teams and external experts. Additionally, we undertake red teaming exercises that simulate real life attack scenarios to identify hidden vulnerabilities. These exercises assess the preparedness of our people, systems, and processes. The findings provide actionable insights to strengthen our security framework and enhance resilience against cyber threats and data breaches.

Promoting Cybersecurity Awareness and Training

We strongly emphasise on cybersecurity and data privacy through continuous training and awareness programmes for our employees and third party contractors. Our flagship initiative, Cyber Jagruti, delivers mandatory sessions covering IT security controls, prevention of data breaches, and responsible handling of Personally Identifiable Information (PII). The programme includes periodic LMS-based training modules for new joiners as well as existing employees, while annual refresher trainings ensure that knowledge remains up-to-date.

To keep our workforce informed and vigilant, we use a variety of training formats such as emailers, videos, presentations, and course materials, along with phishing simulations to assess awareness and compliance with policies. A dedicated Cyber Jagruti channel on Teams helps us keep the staff updated on evolving data security and privacy protocols. We also share cybersecurity mailers that highlight safe practices for both company and personal systems.

Business Continuity

Ensuring operational resilience remains a key priority for us, and we have established a robust business continuity plan (BCP) to protect our operations. Our cloud based disaster recovery site acts as a safeguard to ensure continuity during unforeseen disruptions. In addition, we have put in place a Cyber Incident Response and Recovery process to minimise interruptions arising from cybersecurity incidents.

We have strengthened the reliability of our IT environment with a focus on high availability for critical infrastructure and security systems. Applications are deployed across multiple zones, regions, and data centres, supported by SaaS based offerings, regular backups with offsite storage, and ongoing monitoring and capacity planning. Our systems are designed to scale both horizontally and vertically, while a tiered security approach ensures appropriate levels of protection across the ecosystem. Our IT processes align with ITIL based standards, and systems are regularly reviewed through ITGC and ISO 27001 audits to validate reliability and support continuity of critical business operations. Regular maintenance, updates, and periodic testing of our BCP ensure ongoing preparedness and effectiveness.

Regular maintenance, updates, and semiannual testing of our business continuity plans are conducted to validate their effectiveness and ensure readiness to respond to contingencies. These proactive efforts strengthen our operational resilience and help reduce the impact of potential disruptions on our business operations.

Customer Data privacy

Our approach to data privacy is supported by robust measures, including data leakage prevention systems, encryption of data in transit using Transport Layer Security (TLS), strong access controls, and multifactor authentication protocols. These controls are supported by ongoing enhancement of our systems. Through these efforts, we aim to ensure the confidentiality and integrity of customer data, protecting it from unauthorised access or misuse.

In line with our privacy policy, customers have the right to request deletion or correction of their personal data by contacting the grievance officer via email. In compliance with GDPR and CCPA requirements, international users visiting our brand websites are presented with a cookie consent pop up, allowing them to choose whether to opt in or opt out of data tracking.

Incident Response Mechanism

Aligned with Information Technology Infrastructure Library (ITIL) standards, we have established a robust and well defined incident management framework. Any indication of suspicious activity or potential security breach is reported through our helpdesk portal and promptly escalated to the appropriate stakeholders, ensuring timely response and resolution within defined Service Level Agreements (SLAs).

Our escalation framework enables employees to report incidents, vulnerabilities, or suspicious activities swiftly and effectively. This streamlined approach ensures that potential risks are identified, and addressed at the earliest stage, fostering a proactive and alert security culture across the organisation. Employees are supported by an internal ticketing system for efficient reporting. Dedicated and trained personnel oversee the investigation of information security incidents and carry out detailed root cause analyses to identify underlying issues and prevent recurrence. The findings are reviewed by respective business unit IT teams, while critical findings with wider implications are escalated for approval by the Chief Digital and Information Technology Officer.

Over the past three financial years, no instances of data breaches or information security lapses have been reported. We have received no substantiated complaints from stakeholders regarding data breaches, including concerns related to customer privacy, further reflecting our continued commitment to protecting data and maintaining stakeholder trust.

Natural Capital

FOCUS AREAS

CLIMATE STRATEGY › RESOURCE MANAGEMENT › WASTE MANAGEMENT AND CIRCULARITY

KEY HIGHLIGHTS

22%
WATER RECYCLED

550 KW
SOLAR CAPACITY INSTALLED

2%
RENEWABLE ENERGY

CONTRIBUTION TO UN SDGS

INTERLINKAGE WITH OTHER CAPITALS

- Financial capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social and Relationship Capital

MATERIAL TOPIC LINKAGE

CLIMATE CHANGE | SUSTAINABLE PRODUCT | SUSTAINABLE RAW MATERIAL | RESOURCE MANAGEMENT-ENERGY AND WATER | CIRCULAR ECONOMY WASTE MANAGEMENT | SUSTAINABLE PACKAGING

Our Management

Our dedication to natural capital extends beyond resource preservation, it fundamentally reshapes how we operate, innovate, and scale.

Our environmental targets have catalysed a shift in mindset, moving from managing footprints to actively regenerating ecosystems. Through ReEarth, our flagship sustainability programme, environmental performance has been woven into every layer of the organisation. Our approach is anchored in a rigorous policy framework encompassing the Environmental Policy, Biodiversity Policy, Sustainability Policy, and Sustainable Supply Chain and Procurement Policy. We engage with internal and external stakeholders to continuously sharpen and execute the Environmental Policy alongside initiatives that address pressing environmental challenges. ESG considerations are anchored in a structured, multi-tiered framework that provides robust oversight, and is

also fully embedded within our Enterprise Risk Management framework, enabling simultaneous evaluation of environmental, financial, and operational risks, ensuring sustainability-informed, and ethical decision-making at every level.

We are conducting internal audits aligned with ISO requirements.

Stringent guidelines have been established to maintain alignment with global best practices. Comprehensive ESG training equips employees with the awareness to understand our environmental impact, identify risks, deploy sustainable solutions, and cultivate a culture of responsible, informed decision-making. We maintain rigorous regulatory compliance. In FY 2025-26, no significant fines or non-monetary sanctions were imposed by Central Pollution Control Board (CPCB) / State Pollution Control Board (SPCB), and there have been no instances of violations or non-compliance during the reporting period. Beyond regulatory adherence, our robust governance mechanism continues to guide efforts in environmental preservation and long-term stewardship.

ESG Governance

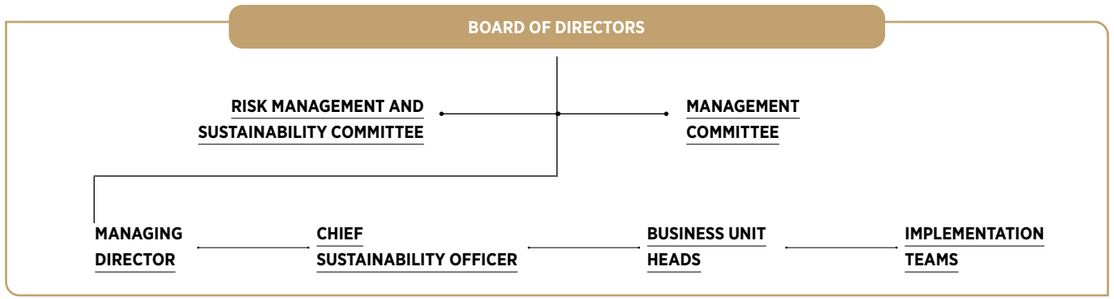
Our ESG governance framework follows a structured, multi-layered approach that ensures robust oversight of ESG and climate-related risks while promoting transparency and ethical decision making.

At the highest level, the Board of Directors provides strategic oversight by approving sustainability policies and guiding senior management on ESG initiatives. Semi-annual Board meetings focus on climate-related risks and opportunities, strategies, policies, and overall performance to ensure alignment with long-term sustainability objectives. The Board-level Risk Management and Sustainability Committee (RMSC) plays a key role in monitoring and addressing ESG matters, including climate-related issues. Meeting bi-annually, the Committee reviews progress and reports updates to the Board. In addition, the Board of Directors, including RMSC members, regularly participates in capacity-building sessions on emerging ESG developments.

Leadership engagement is central to advancing our sustainability agenda. The Managing Director defines the overall strategic direction, while the Chief Sustainability Officer (CSO) leads the development and execution of sustainability and climate strategies. The CSO conducts quarterly reviews to monitor progress in implementing CSR and sustainability initiatives. Budget allocations for CSR and sustainability programs are strategically planned and approved to ensure alignment with business objectives, with oversight and guidance from the Board-level Risk Management and Sustainability Committee (RMSC) and the Corporate Social Responsibility Committee (CSRC).

Furthermore, a Management Committee consisting of CXOs and senior management enabling has been set up to ensure effective communication and cooperation across departments, leading to the seamless integration of ESG principles into business operations. At the operational level, implementation teams conduct bi-monthly discussions with business unit heads to address sustainability and climate-related concerns across factories, warehouses, and retail outlets. These regular interactions ensure that employees remain actively involved and empowered to contribute to sustainability initiatives, strengthening a culture of responsibility across the organisation.

Financial incentives play a pivotal role in driving sustainability performance and ensuring alignment with climate and sustainability targets. ESG KPIs are integrated into the variable remuneration of the Management Committee, including CEOs, the CSO, and other CXOs. These performance-linked incentives extend to functional heads and sustainability team members.



Climate Strategy

At ABFRL, we recognise the industry's influence on climate change, and actively work to mitigate the environmental impact of our operations and products. Climate considerations are integral to financial, strategic, and operational decisions, ensuring a responsible approach to sustainability.

Our near-term emission reduction targets, validated by the Science Based Targets Initiative (SBTi), reflect an unwavering commitment to climate action. We are targeting a 54.6% absolute reduction in Scope 1 and 2 emissions by FY 2032-33 against the FY 2022-23 baseline, alongside a 32.5% absolute reduction in Scope 3 emissions across purchased goods and services, fuel and energy-related activities, and franchises within the same timeframe. We are also aligned with the Aditya Birla Group's decarbonisation strategy, pursuing net zero carbon emissions by 2050 through energy efficiency programmes, low carbon growth, product stewardship, and carbon sequestration projects. Periodic climate change risk assessments are conducted in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) to evaluate climate-related challenges across all operational sites including existing manufacturing facilities, warehouses, and retail stores, as well as upstream and downstream activities.

Climate risks are assessed against current and anticipated regulations, technological shifts, legal exposure, market dynamics, reputational considerations, and both acute and chronic physical risks. These risks and opportunities are further incorporated into the company's centralised enterprise risk management framework. Risk evaluation spans three distinct timeframes: short-term (up to 2030), medium-term (2030–2040), and long-term (beyond 2040). Scenario analyses leverage the Intergovernmental Panel on Climate Change (IPCC) Representation Concentration Pathways (RCP 2.6, RCP 4.5, RCP 6, and RCP 8.5) and Shared Socioeconomic Pathways (SSP1-1.9, SSP1- 2.6, SSP2-4.5, SSP3-7.0, SSP5-8.5) to assess potential physical risks, including temperature and precipitation fluctuations across operational sites. Additionally, transition risks are analysed using scenarios from the International Energy Agency (IEA), including the Net Zero Emissions by 2050 Scenario (NZE), the Announced Pledges Scenario (APS), the Stated Policies Scenario (STEPS), and the Sustainable Development Scenario (SDS). These insights, derived from both quantitative and qualitative models, help identify climate risks, develop mitigation strategies, and capitalise on emerging opportunities. To build resilience against identified risks, comprehensive, context-specific plans have been developed covering 100% of operations including all new facilities, with adaptation measures prioritised for implementation within five years, ensuring the organisation remains agile and well-prepared to navigate climate-related challenges.

We have established a transition plan to align with global net-zero GHG emission goals, with a clear commitment to supporting the Paris Agreement objective of limiting global warming to 1.5°C. Our approach includes defined decarbonisation levers and planned actions to drive progress towards our emission reduction targets. We actively engage with key stakeholders, including our value chain partners and industry associations, to gather inputs and support the effective implementation of our transition pathway. Through these efforts, we aim to progressively advance our climate strategy and strengthen alignment with global climate commitments.

During 2025, Aditya Birla Fashion and Retail Limited (ABFRL) underwent organisational restructuring through the demerger of its business operations, resulting in formation of two independently listed entities: **Aditya Birla Fashion and Retail Limited (ABFRL) and Aditya Birla Lifestyle Brands Limited (ABLBL)**.

As ABFRL's near-term science-based emissions reduction

targets were validated by the Science Based Targets initiative (SBTi) in 2024, the demerger necessitated a review of the Company's greenhouse gas (GHG) inventory and target applicability in accordance with the SBTi Corporate Net-Zero and Near-Term Criteria.

Consistent with SBTi requirements, ABFRL sought formal guidance on the implications of the demerger for its validated targets and base year emissions inventory. SBTi guidance specifies that companies must recalculate their base year emissions where structural changes, such as mergers, acquisitions, divestments, or demergers; result in a material change to the emissions inventory. Such recalculations are intended to preserve consistency, transparency, and comparability of progress against established targets.

SBTi further clarified that a recalculation of base year emissions does not automatically trigger target revalidation. Existing validated targets may continue to remain valid, provided that the recalculated inventory does not materially alter the ambition level, organisational boundary, target coverage, or methodological alignment of the original commitment. Revalidation is generally required only where structural change significantly affects the integrity or ambition of the approved target pathway.

Accordingly, ABFRL undertook a detailed assessment internally, to evaluate the impact of the demerger on its science-based targets. The assessment concluded that although the demerger constitutes a material structural change requiring recalculation of base year emissions, it does not affect the underlying ambition, target methodology, or coverage requirements of the existing SBTi-approved targets.

Following the recalculation exercise, both ABFRL and ABLBL continue to satisfy the minimum target-boundary coverage thresholds prescribed by SBTi:

- Scope 1 and Scope 2 emissions coverage exceeds 95% of total emissions; and
- Scope 3 emissions coverage exceeds 67% of total Scope 3 emissions.

As both entities continue to meet the applicable SBTi coverage requirements and the ambition of the validated targets remains unchanged, revalidation or resubmission of targets to SBTi is not required at this stage. The principal action arising from the demerger is the recalculation and restatement of base year emissions to reflect the revised organisational boundaries of ABFRL and ABLBL.

RECALCULATED FY 2023 BASE YEAR EMISSIONS	
SCOPE 1 AND SCOPE 2 EMISSIONS	
Organisation	**Scope 1 & 2 Emissions (tCO_2e)**
Aditya Birla Fashion and Retail Limited (ABFRL)	68,332
Aditya Birla Lifestyle Brands Limited (ABLBL)	46,416
SCOPE 3 EMISSIONS WITHIN THE SBTI TARGET BOUNDARY* ARE AS FOLLOWS:	
Organisation	**Scope 3 Emissions (tCO_2e)**
Aditya Birla Fashion and Retail Limited (ABFRL)	287,434.9
Aditya Birla Lifestyle Brands Limited (ABLBL)	292,050.6
*SBTi target boundary comprises Scope 3 Category 1 (Purchased Goods and Services), Category 3 (Fuel- and Energy-Related Activities), and Category 14 (Franchises).	

Science-Based Targets for demerged entities:

Following the recalculation of base year emissions, the target ambition and reduction trajectory remain unchanged for both entities:

Aditya Birla Fashion and Retail Limited (ABFRL) and Aditya Birla Lifestyle Brands Limited (ABLBL) commit to reduce absolute Scope 1 and Scope 2 GHG emissions by 54.6% by FY 2033 from FY 2023 base year.

In addition, each entity commits to reducing absolute Scope 3 GHG emissions from Purchased Goods and Services (Category 1), Fuel- and Energy-Related Activities (Category 3), Franchises (Category 14), by 32.5% by FY 2033 from FY 2023 base year.

The target boundary includes land-related emissions and removals from bioenergy feedstocks, in accordance with SBTi requirements.

Energy Management

At ABFRL, we are committed to optimising energy consumption and enhancing operational efficiency through focused initiatives. We conduct regular employee awareness sessions on energy conservation to promote responsible energy use across our operations. Periodic energy audits enable us to identify improvement opportunities and ensure systematic monitoring of progress. Our primary sources of energy include grid electricity, diesel, and renewable energy. We have broadened our energy mix by integrating solar rooftops and solar streetlights across facilities. In FY 2025-26, our solar energy consumption reached 1.82 lakh units, reinforcing our commitment to green energy solutions.

We continue to drive meaningful reductions in our environmental footprint while advancing the transition to cleaner energy alternatives. Furthermore, we are accelerating the shift to renewable energy, targeting 50% renewable sourcing across owned operations by 2030 and Net Zero by 2050 in alignment with the ABG commitment. Furthermore, we aim to reduce our energy consumption and continuously assess our progress to ensure effective energy management. Alongside these initiatives, we are actively investing in the adoption of innovative technologies and infrastructure solutions. We have strengthened energy monitoring and equipment tracking, ensuring utility cost savings and resilience against energy price volatility.

ENERGY CONSERVATION INITIATIVES

Energy Efficiency at Pantaloons

The energy efficiency project at Pantaloons retail stores leveraged IoT technology to optimise HVAC energy consumption, enhancing sustainability and reducing costs. Pilot stores were selected, two in Bangalore and two in Chennai, for implementation and monitoring. Between May and June 2024, IoT-based HVAC optimisation was deployed, enabling real-time data analysis and precise energy control. Results showed significant energy savings: Chennai's Keelambakam store saved 145.7 kWh daily, Pallavakam 71.4 kWh, Bangalore's Niladri 91.2 kWh, and Kammanahalli 26 kWh. The project delivered a 20% cost reduction in three months, saving ₹1,17,356 per month, with 100% ROI achieved in seven months. This initiative highlights the impact of technology driven optimisation in retail sustainability. Its success provides a strong foundation for scaling energy efficiency measures across more locations, reinforcing our commitment to responsible operations.

TCNS warehouse PV SRT

A 274 kWp rooftop solar photovoltaic system is installed at the TCNS warehouse. During the reporting period, the site consumed 58,296 kWh of renewable electricity from the solar installation, contributing to its renewable energy consumption.

ENERGY FOOTPRINT (TJ)		
	FY 2024-25	**FY 2025-26**
FROM RENEWABLE SOURCES		
Fuel Consumption (A)	-	-
Electricity Consumption (B)	0.46	0.66
Total Energy Consumption from Renewable Sources (A+B)	0.46	0.66
FROM NON-RENEWABLE SOURCES		
Fuel Consumption (C)	27	6.80
Electricity Consumption (D)	323	410.10
Total Energy Consumption from Non-Renewable Sources (C+D)	350	416.90
Total Energy Consumption (A+B+C+D)	350.46	417.56
Energy Intensity (TJ/ ₹ Crore)	0.05	0.05
PPP-adjusted Energy Intensity (TJ / Million Rupee adjusted for PPP)	0.10	0.10

CARBON FOOTPRINT (SCOPE 1 AND 2 EMISSIONS)		
	FY 2024-25	FY 2025-26
Scope 1 (tCO_2e)	2,020	374*
Scope 2 (tCO_2e)	72,230	92,350**
Scope 1+2 (tCO_2e)	74,250	92,724
Emission Intensity (tCO_2e /₹ Crore)	10.09	11.34
PPP-adjusted Emission Intensity (Total Scope 1 and Scope 2 emissions (tCO_2e) / Total Revenue from Operations adjusted for PPP)	20.86	23.06
*This includes warehouses, offices, sampling units and factories. **This includes warehouses, retail (COCO Store), offices, sampling units and factories.		

Carbon Footprint (Scope 3 emissions) (tCO_2e)		
	FY 2024-25	FY 2025-26
Purchased Goods and Services	3,64,977	3,54,466
Capital Goods	15,714	7,596
Fuel and Fuel-related Activities	26,462	29,963
Upstream Transportation and Distribution	3,120	1,093
Waste Generated in Operations*	450	173.3
Business Travel	2,649	2,400
Employee Commute	4,306	9,733
Downstream Transportation and Distribution	24,681	4,576
Use of Sold Products**	3,55,053	3,51,498
End-of-life Treatment of Products	14,359	13,879
Franchises	21,140	7,923
Investments	-	-
Total Scope 3 Emissions	8,32,909	7,83,300
Emission Intensity (tCO_2e / ₹ Crore)	113.24	95.79
Category 8 (Upstream Leased Assets), Category 10 (Processing of Sold Products), and Category 13 (Downstream Leased Assets) are excluded from the Total Scope 3 emissions under SBTi Target Boundary. These categories are not relevant for our operations.		

Emission Management

We have developed a comprehensive GHG inventory covering our facilities, warehouses, and retail outlets. Emissions are computed in line with the GHG Protocol and IPCC guidelines, following the operational control approach for accuracy. Additionally, a location-based methodology has been adopted for the assessment of Scope 2 emissions. Our Scope 1 and Scope 2 emissions account for CO_2, CH_4, and N_2O, enabling precise tracking and well-informed mitigation strategies. Emission-saving initiatives executed in FY 2025-26 resulted in the avoidance of 129 tCO_2e. Our GHG inventorisation for Scope 3 emissions, accounts for 90% of our total GHG footprint. Significant efforts are underway within the organisation to drive meaningful reductions in Scope 3 emissions.

Air Emissions

DG sets used in our manufacturing operations generate stack emissions, primarily comprising SOx, NOx, and particulate matter (PM). Although these emissions remain minimal, we are committed to preserving air quality and minimizing our environmental impact. To safeguard the health and well-being of employees and nearby communities, proactive pollution-control measures have been implemented. Continuous air quality monitoring is carried out to ensure regulatory compliance and to reinforce our commitment to environmental stewardship.

AIR EMISSIONS (MT)*	
	FY 2025-26
SOx	0
NOx	0.03
Particulate Matter	0.01
*This is only monitored at facilities	

Ozone Depleting Substances

At ABFRL, refrigerants such as R32, R22, and R407A are used across our facilities for air-conditioning and fire-suppression systems.

OZONE DEPLETING SUBSTANCE (MT)	
	FY 2025-26
R22	0.0035
R32	0
R407A	0
R410A	0.003

Water Management

At ABFRL, responsible water stewardship is central to our operations. We deploy innovative strategies to optimise consumption and limit our impact on freshwater resources. Our Environmental Policy and the Aditya Birla Group's Water Stewardship Policy guide our efforts in conservation, recycling, and reuse. Our goal is to achieve water neutrality across all owned facilities by 2030. We have established defined KPIs and targets for water management, supported by regular data tracking, centralised reporting and review mechanisms, and robust compliance and audit processes. These are complemented by continuous improvement plans to enhance water efficiency and overall performance. We collect water consumption data through manual logs and smart meters, ensuring accurate and consistent monitoring across our operations. The data is subject to third-party assurance to enhance reliability and transparency. Additionally, water performance is reviewed on a monthly basis to track progress and drive continuous improvement.

Promoting awareness of responsible water usage is a key focus area. We conduct training programmes for employees as well as surrounding communities to share best practices and foster shared accountability in water resource management. Regular water assessments are undertaken to identify opportunities for further efficiency improvements.

To strengthen water use efficiency, we have deployed

Water Footprint (KL)		
	FY 2024-25	FY 2025-26*
Surface Water Withdrawal	-	-
Ground Water Withdrawal	17,534	36,209
Third-Party Water Withdrawal	3,459	12,181.59
Total Water Withdrawal	20,993	48,390.59
Rainwater Harvested (not included in freshwater consumption)	0	0
Total Water Discharged	12,655	28,428.00
Total Water Consumption	8,338	19,962.59
Water Consumption Intensity (KL / ₹ Crore)	1.33	2.44
PPP-adjusted Water Consumption Intensity (KL / Rupee adjusted for PPP)	2.34	4.97
*In FY 2025-26, our reporting boundary has expanded which has led to increase in our water footprint.		

an advanced IoT and cloud based monitoring system that provides real time insights to track consumption and support optimisation efforts. In addition, the use of water efficient fixtures, artificial groundwater recharge systems, and automated water treatment technologies helps reduce wastage across our operations. Our primary water withdrawal sources include surface water, groundwater, and third-party suppliers. We have also initiated implementation of rainwater harvesting systems to reduce dependence on freshwater supply.

At a business level, including manufacturing units, warehousing facilities, and offices, we consume approximately 74 KL of water per day. Despite this, our operations have not caused or contributed to any water-related impacts. We are aiming to attain water-neutral status, further demonstrating our dedication to responsible water stewardship and conservation.

We have implemented water conservation measures including rainwater harvesting systems, installation of waterless urinals, and the use of low water-use faucets to reduce overall water consumption across our operations. We have recycled 22% of total water withdrawal during the reporting period.

Water Discharge

We manage water discharge efficiently, ensuring minimal environmental impact while maintaining responsible water stewardship. Since our operations focus solely on retailing and warehousing hence do not involve fabric production, the wastewater we generate consists only of domestic sewage.

Water discharge takes place through municipal lines and onsite sewage treatment plants (STPs), ensuring appropriate treatment across our facilities. Treated water is reused for gardening and flushing purposes. Water quality is rigorously monitored in compliance with state pollution control guidelines, with adherence maintained across all national, regional, and local air and water consent requirements. Regular testing of physical, chemical, and biological parameters ensures full compliance before any wastewater is discharged into municipal sewers. These initiatives help us minimise freshwater withdrawals, mitigate pollution risks, and reinforce our commitment to sustainable water management.

Managing Water-Stressed Areas

Annual water risk assessments are conducted using the WRI Aqueduct tool, evaluating availability, demand, and future projections to inform conservation priorities. Our facilities and warehouses in Bengaluru and Gurugram have been identified as situated in water-stressed locations. To reduce freshwater dependency in these areas, we deploy enhanced recycling systems, rainwater harvesting infrastructure, and water-efficient technologies, reinforcing our commitment to responsible water management and sustainability

WATER FOOTPRINT FROM WATER-STRESSED AREAS (KL)	
	FY 2025-26
Surface Water	-
Groundwater	9,501
Third-party Water	5,990.82
Total Water Withdrawal	15,491.82
Total Water Consumption	13,335.82
Total Water Discharge	2,156

Waste Management

We recognise that strategic waste management is integral to reducing environmental impact, conserving natural resources, and strengthening operational sustainability. We have established clear guidelines and Standard Operating Procedures (SOPs) across waste streams to ensure proper segregation, handling, and disposal, enabling safe and sustainable waste management practices across our operations.

Our waste-related impacts primarily arise from material-intensive inputs such as textiles, chemicals, and packaging. Our manufacturing and retail operations generate significant pre-consumer waste, including fabric scraps and packaging, as well as hazardous waste streams such as used oil, oil-soaked cotton, batteries, e-waste, and biomedical waste. These wastes, generated from activities including DG set operations, equipment maintenance, and IT infrastructure usage, present environmental risks such as landfill burden, resource loss, and potential pollution, requiring specialised handling and disposal.

While the most direct impacts originate from our own operations, we also recognise upstream impacts from vendor manufacturing processes and downstream impacts related to post-consumer textile and packaging waste. We actively work across our value chain to mitigate these impacts by promoting circular practices, sustainable material use, optimised packaging, and responsible disposal through authorised recyclers.

WASTE GENERATION (MT)		
	FY 2024-25	FY 2025-26
Total Waste Generated	461	624.16
Total Hazardous Waste	0.6	1.71
Used Oil	-	0.01
Oil-Soaked Cotton	-	0.00
Batteries (Numbers)	736	0.15
E-Waste	0.55	1.45
Bio-Medical Waste	0.06	0.11
Total Non-Hazardous Waste	460	622.45
Paper Waste	34	36.68
Fabric Waste	29	21.04
Metal Waste	0.02	33.28
Plastic Waste	22	33.87
Carton Box	339	406.43
Wood Waste	-	12.19
Briquette Ash	-	-
Canteen Waste	31	54.62
Other Non-Hazardous Waste	4	24.34
Coverall	0.81	0
Construction And Demolition Waste	0.04	0
Waste Intensity (MT/ ₹ Crore)	0.06	0.08
PPP-Adjusted Waste Intensity (MT/ Rupee Adjusted For PPP) (Excludes Battery Waste)	0.13	0.16

We maintain a robust waste governance framework involving authorised third-party vendors for collection and disposal. Vendors are selected through stringent due diligence based on credibility, regulatory authorisation, and compliance, with approvals obtained from relevant functions including Legal and Supply Chain. Waste traceability is ensured through a three-step data management approach involving manual logbooks at facilities, vendor confirmation and receipts, and centralised reporting through a digital sustainability management portal, supporting third-party audit and assurance.

Our approach follows a lifecycle-based model focused on waste prevention through efficient material use, process optimisation, and digitalisation to reduce both hazardous and paper waste. We emphasise segregation at source, safe handling, and maximising recycling and reuse, with minimal reliance on landfill disposal.

We conduct regular training and awareness programmes for employees to promote responsible waste management practices, including segregation, handling, and regulatory compliance. Periodic waste audits are undertaken to assess waste generation patterns, evaluate segregation efficiency, and identify improvement opportunities, with findings translated into targeted action plans.

We have ambition to achieve zero waste to landfill with 100% traceability across all owned facilities by 2030, with a focus on progressively minimising waste generation. Investments in innovative technologies, including automated cutting and marking tools, have significantly optimised material usage and reduced fabric waste. These efforts, supported by continuous employee engagement, reinforce our commitment to circularity and long-term sustainability.

We aim to establish end-to-end waste traceability, supported by regular audits and ongoing monitoring of disposal systems, enabling us to validate safe handling practices, accurately track waste volumes directed to authorised recyclers, and identify performance improvement opportunities. Biomedical and sanitary waste undergo incineration, ensuring safe treatment, while non-hazardous waste is either recycled or repurposed. Food waste is composted using in-house vermicompost, converting it into bio-manure for agricultural use. All disposal processes comply with applicable regulatory requirements, and disposal facilities and recyclers are selected through a thorough due diligence process, ensuring no contamination during disposal.

WASTE DISPOSAL (MT)		
	FY 2024-25	FY 2025-26
Waste Diverted from Disposal	461	624.05
Waste Recycled	432	603.01
Waste Reused	29	21.04
Waste Directed to Disposal	0.06	0.11
Incineration (Bio-medical waste – Without Energy recovery)	0.06	0.11

Waste Management Initiatives

Our waste management initiatives are driven by the sustainability team in alignment with senior leadership, with implementation supported by operations and site-level teams. We

continue to strengthen engagement with suppliers and value chain partners to embed waste reduction practices across our operations. In FY 2025–26, we enhanced our focus on hazardous waste management, strengthened tracking and reporting systems, and improved cross-functional collaboration. We are also moving towards digitalisation by implementing digital traceability in selected facilities.

We have implemented multiple initiatives to reduce waste generation and ensure responsible disposal. Preventive maintenance of machinery helps minimise hazardous waste such as used oil and contaminated materials. We promote segregation at source and ensure disposal through authorised recyclers, while also advancing digitalisation to reduce paper consumption. In addition, we work closely with internal teams to optimise packaging and reduce single-use materials, supported by awareness programmes that encourage responsible waste management practices across all facilities.

Packaging Management

We continuously strive to strengthen our systems and processes and, as a leader in the apparel retail sector, have committed to using 100% sustainable packaging material by 2030. Our packaging strategy considers packaging components and focuses on design optimisation, reduction and recycling. In line with this approach, Pantaloons has transitioned away from plastic bags and delivers all products in paper bags or corrugated boxes, which is also more customer friendly.

PACKAGING MIX		
	Total Weight (MT)	Recycled Material (% of total weight)
Wood and Paper	736	92%

At ABFRL, we ensure responsible recycling of packaging waste through stringent compliance and robust monitoring mechanisms. As a registered Brand Owner under the Plastic Waste Management Rules, 2022, with the Central Pollution Control Board (CPCB), we adhere to rigorous recycling standards.

To ensure effective recycling of packaging materials, we conduct thorough due diligence prior to onboarding authorised recyclers, including comprehensive background checks and verification of regulatory compliance.

Our waste collection strategy is aligned with regulatory requirements and has been formally submitted to the CPCB.

Plastic Packaging	FY 2025-26
Total Weight of Plastic Packaging (MT)	171.3
% of recyclable plastic packaging	100%
% of compostable plastic packaging	89%
% of recycled content within plastic packaging	9.7%

FIVE-PRONGED APPROACH TO SUSTAINABLE PACKAGING

Strategy	Our Approach
Innovative and Alternative Solutions	• Launched the “One Garment, One Tag” initiative at lifestyle brands to minimise wastage and label expenditure
Recyclable Packaging	• 100% recyclable plastic packaging is used across brands
Reusable Packaging	• Introduced reusable muslin bags at Jaypore to replace plastic packaging • Reused carton boxes for transportation at Pantaloons warehouses and trained employees to identify reusable boxes. In FY 2025-26 alone, 86% of cartons were reused, saving Rs. 1.5 crore..
Eliminating Single-Use Packaging	• Phased out plastic carry bags and replaced them with paper bags across retail stores
Integrating Recycled Materials in Packaging Solutions	• Integrated recycled plastics in M-clips, U-clips, and hangers in stores

Jaypore Warehouse Carton Upcycling Initiative

During the period from November 2025 to March 31, 2026, the Jaypore warehouse implemented a carton shredding initiative that enabled the reuse of approximately 4.95 MT of discarded cartons by converting them into honeycomb protective packaging material. This intervention significantly reduced the reliance on conventional plastic-based packaging materials, bringing down total packaging consumption from ~575 kg/month to ~140kg/month. As a result, ~434kg of packaging material was avoided each month, amounting to ~2MT over the five-month period. Overall, the initiative demonstrates a strong circular economy approach by eliminating high-impact materials such as thermocol and foam sheets, optimising resource efficiency, and delivering measurable environmental benefits.

Raw Material Management

Responsible sourcing of raw materials is fundamental to minimising environmental impact and sustaining ethical supply chains within the apparel retail sector. At ABFRL, we are committed to scaling the use of sustainable materials while maintaining the highest standards of social responsibility and environmental stewardship.

We have developed an internal framework for sustainable attributes that encompasses sustainable raw materials, production processes, manufacturing facilities, packaging, and sustainable livelihoods. A consolidated target has been established for the proportion of sustainable and recycled raw materials, with performance monitored and reported on both a half-yearly and annual basis. In FY 2025-26, 95% of our products had at least one sustainable attribute. By 2030, we aim to incorporate at least one sustainable attribute across 100% of our garments, by volume.

As part of this commitment, we source high-quality raw materials with a focus on minimising environmental and social impacts across the value chain. Guided by recognised tools and standards, we prioritise the use of responsibly sourced and lower-impact materials, including BCI Cotton, Liva Eco, FSC-certified Birla Modal, and recycled fibres, while maintaining high standards of quality, performance, and ethical manufacturing. To strengthen sustainable sourcing, our procurement teams undergo regular training to identify and assess sustainable materials effectively. We also support handcrafted fabrics and garments using indigenous techniques to strengthen India’s cottage industries challenged by competition from mill-made fabrics. Lifecycle Assessment (LCA) serves as a crucial tool for assessing business and supply chain sustainability. Our objective is to deliver products with improved environmental and social sustainability performance and minimal health risks. Using a cradle-to-grave LCA approach, we identify potential risks and opportunities to reduce material and resource consumption. ABFRL continues to implement process efficiencies to lower environmental

SUSTAINABLE RAW MATERIALS AT ABFRL

Material	Description
Birla Modal Fibre	• Eco-friendly viscose innovation derived from renewable natural resources • Ensures garments are fully biodegradable • Incorporated into the women’s wear category as modal blended fabrics for style and sustainability
Birla Cellulose LIVA Eco Fibre	• Crafted from responsibly sourced viscose • Blockchain-enabled tracking ensures transparency and accountability across the supply chain • Low environmental impact with minimal greenhouse gas emissions
Recycled Materials	• Integrated GRS-certified recycled polyester into products • • Reduces landfill waste, energy consumption, GHG emissions, and reliance on virgin materials • Supports a closed-loop production cycle to maximise sustainability
Better Cotton Initiative	• Collaborated with BCI to prioritise sustainable cotton sourcing • Mitigates the environmental impact of conventional cotton production • Addresses challenges of chemical and water-intensive cultivation • Enhances global cotton production for the well-being of growers, the environment, and the industry’s future.

Product Sustainability	
Description of the risk/concern	**Action Taken**
High energy consumption at yarn spinning and fabric processing stages.	• Presently, we are collaborating with a tier 1 supplier; however, these processes fall under our tier 3 supplier category.
Usage of chemicals during fabric pro-cessing and auxiliary materials used in cutting and sewing.	• Collaboration with ZDHC to use better and safer chemicals in the dyeing process, implementation of Restricted Substance List (RSL).
High energy consumption for washing and ironing during the product use phase.	• Collaboration with industry partners.
High blue water consumption and toxicity in the agricultural phase.	• Collaboration with Better Cotton Initiative (BCI), increasing the recycled content in raw material.
Usage of corrugated board, plastic paper, polyethene foam, and paper for packaging.	• Increasing usage of compostable polybags for packaging, reducing packaging requirements.

impacts and improve resource efficiency, while integrating eco-design into LCA-led decision-making.

We have internally identified Cotton, Polyster and Man-made cellulosic fiber (MMCF) as priority raw materials due to its widespread use and environmental footprint. Consid-ering cotton's high-water consumption and vulnerability to climate variability, we alleviate its environmental impact by reducing reliance on water-intensive irrigation methods and promoting responsible cotton sourcing such as Better Cotton Initiative (BCI), Supima etc

Product Sustainability

We integrate sustainability into product design by prioritising responsibly sourced fabrics, recycled fibres, and biodegrad-able materials. Our optimised production processes reduce waste while improving product durability and recyclability.

To evaluate environmental impact, we conduct compre-hensive Lifecycle Assessments (LCA) from cradle to grave, analysing energy consumption, GHG emissions, water usage, and waste generation. These assessments help identify key hotspots, including Scope 3 emissions, and guide innovation in sustainable product development.

Biodiversity Management

Biodiversity plays a vital role in sustaining the fashion retail ecosystem by supporting ecological balance across sourcing regions and enabling responsible business practices. At AB-FRL, we adopt a proactive conservation approach guided by our Biodiversity Policy and the Aditya Birla Group's biodiver-sity management framework, aligned with the Convention on Biological Diversity.

We engage key stakeholders and experts to strengthen biodiversity knowledge and integrate it into decision-making, while minimising our environmental footprint by avoiding ecologically sensitive areas and embedding biodiversity considerations into our overall business strategy.

Our Approach to Biodiversity Conservation

To systematically manage biodiversity-related risks and opportunities, we have developed a Biodiversity Roadmap based on the LEAP framework. This roadmap enables us to identify, assess, and respond to biodiversity challenges across our operations.

This plan enables us to identify, assess, and address biodi-versity challenges across our textile manufacturing operations. Going forward, we will evaluate our dependence on key raw materials such as cotton, fibres, and chemicals, while assess-ing our impact on land use change, climate change, resource extraction, and pollution.

These insights will guide targeted conservation and mitiga-tion efforts across our facilities, surrounding ecosystems, and throughout our supply chain, including Tier 1 and Tier 2 sup-pliers. Our roadmap is structured around short-, medium-, and long-term goals, ensuring continuous progress in strengthen-ing biodiversity management within our value chain.

Biodiversity Assessment & Mitigation

We undertook an initial biodiversity assessment using the Integrated Biodiversity Assessment Tool (IBAT), an elaborate framework that enables the identification of key biodiversity areas surrounding our operations and species listed under the IUCN Red List. The findings provide the basis for our biodiversity management plan, aligned with the Convention on Biological Diversity and guided by the LEAP approach.

The assessment was undertaken using a location-specific approach acrossfacilities. IBAT drew on multiple databas-es, including the IUCN Red List of Threatened Species and the Threats Classification Scheme, to generate the results. Our biodiversity strategy is also designed to align with the requirements of the Taskforce on Nature-related Financial Disclosures (TNFD).

We assess biodiversity and ecosystem service risks associated with existing and planned activities to support informed planning and execution. Potential impacts are man-aged through the mitigation hierarchy, prioritising avoidance and minimisation, followed by restoration and offsetting of residual impacts, where required.

Sustainable Infrastructure

At ABFRL, we focus on creating sustainable infrastructure by aligning our facilities with globally recognised green building standards, enabling us to reduce environmental impact while improving operational performance.

We drive energy efficiency through initiatives such as enhanced insulation, optimal use of natural light, improved ventilation, motion sensors, variable frequency drives (VFDs), and solar rooftop systems. At the same time, we strengthen water stewardship by harvesting excess water and treating wastewater on-site for reuse.

Green Retail at Aditya Birla

The Green Retail for Aditya Birla (GRAB) initiative is aimed at assessing, monitoring, and enhancing the sustainability performance of retail stores, in alignment with our sustain-ability commitments and the Science-Based Targets initiative (SBTi). The GRAB Store Checklist incorporates national and international green building standards such as LEED and IGBC, while being adapted to regional and industry-specific practices. Covering both environmental and safety param-eters, it facilitates comprehensive evaluations by internal

teams.

Stores are evaluated against GRAB standards through a structured scoring system that recognises sustainability efforts and provides benchmarks for improvement. The ratings track progress and highlight areas for further development, ensuring the continuous refinement of sustainability initiatives. During FY 2025-26, 22 stores of ABFRL went through GRAB Assessment.

Rating	Score
• **Platinum**	**≥ 80%**
• **Gold**	**≥ 60%**
• **Silver**	**≥ 50%**
• **Certified**	**≥ 40%**
• **Not Certified**	**< 40%**

Social and Relationship Capital

FOCUS AREAS

EMPOWERING COMMUNITIES › CRAFTING UNIQUE CUSTOMER EXPERIENCES › RESPONSIBLE VALUE CHAIN

KEY HIGHLIGHTS

₹2.83 CRORE* CSR Spend	**1,32,232** Lives Impacted through CSR activities	**24,873** Employee Volunteering Hours	**33** significant suppliers assessed through Supplier Sustainability Index	**92%** NPS Score for Pantaloons business	**95%** Tier-1 vendors audited for Vendor Code of Conduct

*ABFRL Standalone

CONTRIBUTION TO UN SDGS

INTERLINKAGE WITH OTHER CAPITALS

- Manufactured Capital
- Human Capital
- Financial Capital

MATERIAL TOPIC LINKAGE

CORPORATE SOCIAL RESPONSIBILITY	PRODUCT QUALITY AND SAFETY	CUSTOMER SATISFACTION AND RELATIONSHIP MANAGEMENT	DATA PRIVACY AND SECURITY	SUSTAINABLE SUPPLY CHAIN	STAKEHOLDER ENGAGEMENT AND MANAGEMENT

Vision

"To actively contribute to the social and economic development of the communities in which we operate and beyond. In sync with the UN SDGs our endeavor is to lift the burden of poverty weighing down the underserved and foster inclusive growth. In doing so, build a better, sustainable way of life for the weaker, marginalised sections of society and enrich lives. Be a force for good."

Mrs. Rajashree Birla
Chairperson, Aditya Birla Centre for
Community Initiatives and Rural Development

Mission

To make a meaningful impact on the lives of individuals in communities around us by developing model villages through our focus on Education, Health & Sanitation, Sustainable Livelihood, Water & Watershed, and Digitalisation.
To facilitate a culture of caring in the organsation through employee volunteering.

Tailoring Impact for Communities

As a responsible organisation, we recognise the influence our actions have on society and the environment. We believe that integrating social responsibility into our business approach enables us to create meaningful and lasting value for the communities around us. Through our Corporate Social Responsibility (CSR) initiatives, we aim to promote inclusive development and address priority social needs. Our programmes are designed to deliver positive, measurable outcomes for community members, reflecting our commitment to responsible business practices and sustainable growth.

CSR presence

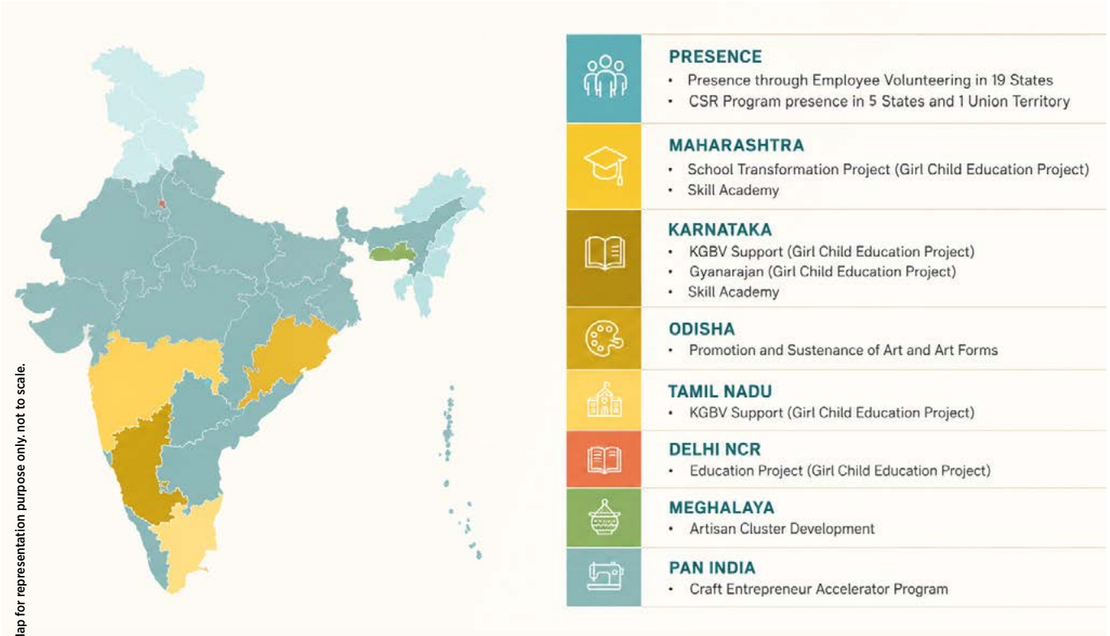
At ABFRL, we continue to see our role as extending beyond business. The relationships we build with customers, communities, partners and our wider ecosystem remain central to how we grow and create value.

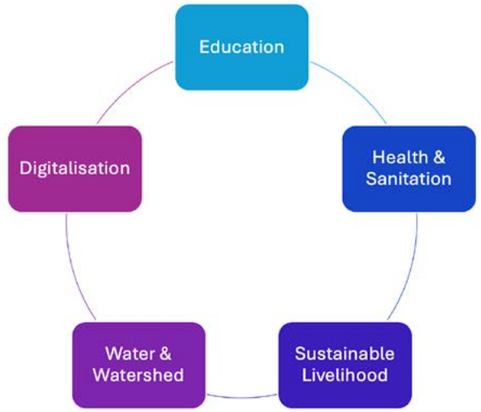
Over the years we have learned that meaningful impact doesn't come from isolated efforts but from consistently listening, engaging, and responding to the needs of those around us. Whether it is the communities we operate in or the partners who support our journey, their perspectives shape the way we design and deliver our initiatives.

Our approach lies in empathy, transparency, and a shared sense of responsibility. By strengthening these connections, we aim to contribute to progress that is not only measurable, but also lasting and inclusive.

Our CSR Approach

We follow the Aditya Birla Group's Corporate Social Responsibility (CSR) Policy which aims at reaching out to underserved communities and a firm conviction in the Trusteeship concept, which entails transcending business interests and working towards making a meaningful difference to those communities. ABFRL undertakes CSR interventions in Karnataka, Tamil Nadu, Maharashtra, Odisha, Andhra Pradesh, Meghalaya and Delhi NCR through Aditya Birla Fashion and Retail Jan Kalyan Trust (ABFR-JKT). The Aditya Birla Centre for Community Initiatives and Rural Development provides the vision under the leadership of its Chairperson, Mrs. Rajashree Birla. The Centre provides strategic direction and thrust areas for our work, while ensuring effective performance management. This vision underlines all CSR activities. ABFRL has an exclusive CSR team that also receives guidance from Dr. Pragnya Ram, the Group Executive President - CSR, Legacy Documentation & Archive, who guides and ensures systematic implementation of its CSR initiatives.





The continuous focus at ABFRL is to create sustainable and impactful CSR programmes that are aligned to the Group's CSR Vision. Aditya Birla Fashion and Retail Jan Kalyan Trust focuses its CSR initiatives under five pillars. These pillars are the guiding thematic areas for the projects. .

The projects - 1) School Transformation Project 2) Gyanarjan Project 3) Kasturba Gandhi Balika Vidyalaya (KGBV) 4) Education Project Delhi NCR, 5) Craft Entrepreneur Accelerator Program 6) Artisan Cluster Development, and 7) Promotion and Sustenance of Art and Art Forms are subsumed under these pillars.

Through the School Transformation Project, Gyanarjan, KGBV schools, and Education Project – Delhi NCR, ABFRL primarily focuses on girl students and these projects are implemented under the ambit of the Girl Child Education Program. ABFRL strongly encourages voluntary employee participation in the CSR activities and has a policy in place to facilitate employee volunteering.

Total CSR Spend **FY 2025-26**

Community Expenditure	2022-23	2023-24	2024-25	2025-26
	3.55	4.10	4.20	2.83

CSR spending on focus areas and beneficiaries in ₹Crore for FY 2025-26

	CSR SPEND ₹2.83 Crore	Beneficiaries 1,32,232
Focus Area	**CSR Spend (₹ Crore)**	**Beneficiaries**
Education	1.34	7,597
Health and Sanitation	0.22	1,10,416
Sustainable Livelihood	0.59	4,764
Water and Watershed	0.16	6,600
Digitalisation	0.1	983
Other Initiatives	0.36	1,874

CSR Policy and Governance

Our Corporate Social Responsibility (CSR) Policy is anchored in our commitment to contribute meaningfully to the social and economic development of the communities in which we operate. In line with the provisions of the Companies Act, 2013 and guided by the Aditya Birla Group's philosophy of trusteeship, we go beyond business objectives to address the quality-of-life challenges faced by underserved communities. Through a structured and disciplined approach, our policy outlines the framework for planning, implementation and monitoring of CSR initiatives, ensuring alignment with national priorities and the United Nations Sustainable Development Goals. We remain committed to creating sustainable and inclusive impact while upholding the highest standards of responsibility and governance.

Furthermore, our steadfast CSR governance underpins effective implementation of our initiatives.

PERMANENT INVITEES

Mrs. Rajashree Birla
Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development

Dr. (Mrs.) Pragnya Ram
Group Executive President – CSR, Legacy Documentation of Archives

CSR COMMITTEE

Mr. Ashish Dikshit
(Chairperson – Managing Director)

Mr. Nish Bhutani
(Member – Independent Director)

Ms. Preeti Vyas
(Member – Independent Director)

Mr. Yogesh Chaudhary
(Member – Independent Director)

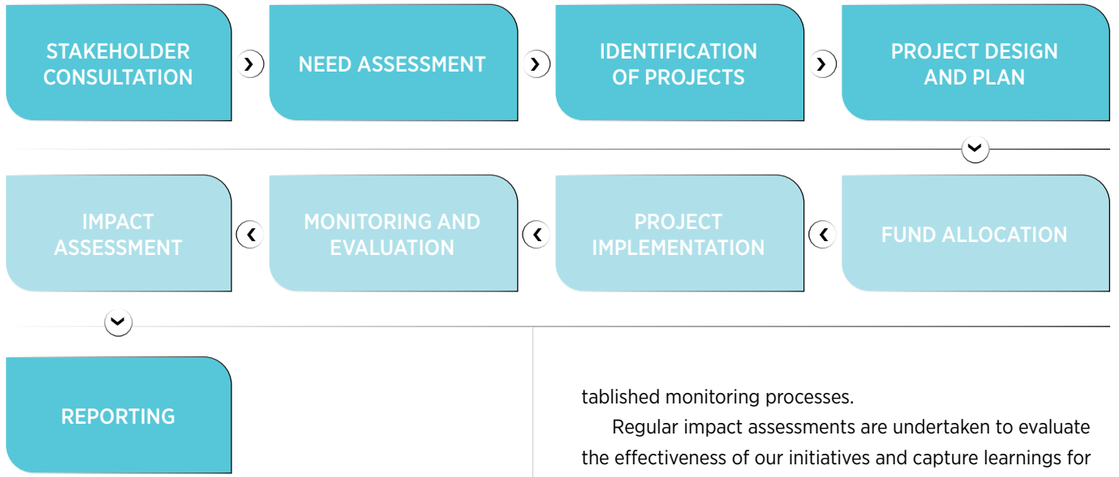
Community Consultation and Engagement Process

Community Engagement Process

At ABFRL, we recognise that sustainable community development is most effective when it is shaped through active participation and inclusive engagement. Our CSR approach is built on collaborative planning, enabling us to work closely with local communities to understand their priorities, challenges, and development aspirations. Through structured needs assessments and consultative discussions with village panchayats and key stakeholders, we identify and prioritise interventions that resonate with local expectations.

On an annual basis, we prepare a detailed Annual Action Plan covering planned activities, implementation timelines, roles and responsibilities, and resource requirements. This enables us to deploy our CSR efforts in a focused, measurable, and outcome-oriented manner. Programmes are implemented in partnership with community members and relevant organisations, with progress reviewed through established monitoring processes.

Board of Directors	Oversees the CSR activities of the company and moni-tors the compliance of the CSR Policy	• Approve the CSR Policy • Ensure that the activities included in the CSR policy are undertaken by the company • Ensure the Company spends in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years
CSR Committee	CSR Committee reports on the progress on CSR activities to the Board	• Ensure compliance of CSR Initiatives with the law of the land • Provide strategic direction for CSR initiatives • Approve the CSR plan and monitor its progress
ABFRL MANCOM	MANCOM and Aditya Birla Fashion and Retail Jan Kalyan Trust	• Ensure alignment of CSR initiatives to ABG's CSR policy • Provide direction and funds • On-board new partners and ensures execution as per the Board approved CSR plan
Aditya Birla Fashion and Retail Jan Kalyan Trust	Aditya Birla Fashion and Retail Jan Kalyan Trust work parallelly under the CSR Committee	• Ensure the alignment of CSR activities with its stated mission and objectives Ensure compliance with applicable trust laws and regulations • Oversee the financial management of the trust, and ensure transparency and accountability in all decision-making processes • Seamless cross - functional deliverables • Periodically review CSR initiatives • Provide guidance and direction in programme implementation
CSR Team	Reports Progress to MANCOM	• Ensure execution of the CSR plan • Monitor CSR partners • Formulate MOUs with partners (in consultation with Legal and Finance teams)



Regular impact assessments are undertaken to evaluate the effectiveness of our initiatives and capture learnings for continuous improvement. Key outcomes and insights are disclosed through our corporate website, annual reports, internal communication channels, and media platforms. Across all our operating locations, we follow a structured community engagement and development framework supported by defined impact indicators. During the reporting period, no significant adverse impacts were identified in the communities surrounding our operations.

Community Relations and Grievances

We believe that meaningful community engagement is essential for creating sustainable and inclusive impact across its areas of operation. We regularly interacts with community members and other stakeholders through meetings field visits awareness sessions workshops CSR assessments and feedback surveys to better understand local priorities and concerns.

These interactions help strengthen relationships built on trust, transparency, and respect, while also enabling continuous improvement in the effectiveness of its CSR initiatives. Additionally, ABFRL has established a structured grievance redressal mechanism to address community concerns in a timely and responsible manner.

1. Girl Child Education

Under Girl Child Education, ABFRL aims to empower girl students by providing them with access to quality education, creating a better learning environment, enabling them to pursue higher studies, and fostering financial independence. Our interventions, including the School Transformation Project, Education Project Delhi NCR, Gyanarjan and Kasturba Gandhi Balika Vidyalaya (KGBV) exemplify our commitment to an intensive program aimed at Girl Child Education. Over the years, ABFRL has supported 1,38,440 girls across three states in realizing these objectives.

1,38,440 Students benefitted since inception of ABFRL's – Girl Child Education

1.1 School Transformation Project:

In 2017, We embarked on a partnership with the Panvel Municipal Corporation (PMC) to transform the education landscape in 11 primary schools. Our shared goal was to create a nurturing environment for young learners to thrive and develop essential skills. To achieve this, we appointed qualified teachers in these schools and organised a range of activities, including English classes, special academics classes, art, martial arts, and children's fair. During the FY 2025-26, the project impacted 2,060 students through the following activities:

English Classes: We support teachers, in collaboration with PMC's Education Department, conducted English classes for students to enhance their English communication skills.

Children's Fair: We organised a special Children's Fair (Bal Mela) to encourage learning beyond regular classes. The children participated in various activities, including mathematical games, scientific model development, drawing, origami, and face art. The fair provided a fun and engaging environment for students to explore their creativity and interests.

Art Classes: Art classes and drawing competitions were conducted to encourage creativity and artistic expression among children. Support was also provided for school-level art exhibitions, offering a platform for students to showcase their talent.

Martial Art Classes: Martial Art Classes were introduced to train students, enabling them to showcase self-defense skills. The trained students participated in various tournaments, representing their school.

Special Academic Classes: We organized special classes for 33 meritorious students to help them excel in their academic pursuits.

1.2 Gyanarjan Project

Project 'Gyanarjan' is a rural education initiative aimed at empowering underprivileged girls in Karnataka. The program provides quality coaching for students from grades 10th to 12th in core subjects, preparing them for competitive exams like NEET and CET.

Since its inception, Gyanarjan has supported 13,764 female students, including 1,713 students during the reporting period. Our students achieved impressive results in the 2024-25 Board Exams, with a pass percentage of 86.06% for the 10th grade and 85.65% for the 12th grade.

To strengthen digital literacy among students, We established computer labs at the Mysuru and Channapatna Centres. These facilities function as digital libraries, providing students with access to basic technology and learning resources.

Through this initiative, 315 students were supported during the year.

Value addition programmes such as Personality Development, How to Prepare for Exams, Career Counselling, etc., were conducted by professionals, as well by our employee volunteers. Special awareness sessions, followed by written tests and personal discussions were also conducted.

Meritorious students from the previous academic year 2024-25 were recognised with scholarships to encourage them to continue their higher education.

To improve the initiative, we collected regular feedback from students, which helped chart a roadmap for the future course corrections. Around 69% of beneficiaries have rated this initiative as 'Excellent', 31% rated it 'Very Good'.

13,764 Students benefitted since inception of Gyanarjan Project

1.3 Kasturba Gandhi Balika Vidyalaya (KGBV)

Under the 'Sarva Shiksha Abhiyan' initiative, we strive to encourage underprivileged rural girls in Karnataka and Tamil Nadu to continue their education and resist societal pressures to drop out. During the reporting period, we supported eight KGBV schools, providing special coaching classes in core subjects to 955 students, and conducting value addition programs such as personality development and safety workshops.

The 'Support to Continuing Education Program' is another initiative aimed at assisting underprivileged students in pursuing their undergraduate degrees and securing job opportunities. In FY 2025-26, 20 students have either pursued or completed their undergraduate degrees.

To propel schools towards excellence, we have introduced the visionary 'Model School' initiative. Currently, this initiative is being implemented in two phases (Infrastructure support and Training-of-Trainer) across four KGBV schools in Tamil Nadu.

Through the program, we facilitated infrastructure support by investing in smart class equipment, rainwater harvesting systems, smart kitchen facilities, and sports equipment. We collaborated with educational institutions and subject experts to introduce innovative learning methods, Memory Management, Mentoring and IT Skills, and share insights and requirements during Training-of-Trainer sessions.

As a result, teachers adopted these transformative approaches, driving a culture of excellence in their classrooms and six students passed NMMS examination for the first time in the history of these schools.

8,917 Rural girls benefitted since inception of KGBV support initiative

1.4 Education Project – Delhi NCR

As our business grows, it's imperative that our Corporate Social Responsibility (CSR) efforts expand beyond our factories, particularly in our new ventures and the regions we are entering. Hence, we have initiated an Education Project in Delhi NCR, aiming to create a better learning environment for children.

Education Access And Academic Support:

Child Activity Centre (CAC): The Child Activity Centre was established to improve the learning environment, student participation, and retention by adopting innovative, fun, and interactive teaching methods. The program focused on both academics and co-curricular activities such as sports and theatre. Through the CAC, 126 children benefitted, and regular assessments were conducted to track their learning progress.

School Admission: 38 migrant children were successfully enrolled in government schools, enabling access to formal education.

Exposure Visits: 105 children and adolescents participated in educational exposure visits to the Nehru Planetarium and Rail Museum.

Life Skills and Child Protection

Life Skill Training: 106 adolescents attended two life skills sessions focusing on self identity, emotional intelligence, and communication.

Gender Module Sessions: Two gender awareness sessions engaged 77 adolescents, focusing on gender roles, equality, respectful behaviour personal safety and child protection.

HEALTH, HYGIENE, AND NUTRITION

Health Camps: Two health camps were conducted, benefiting 210 individuals, including 62 children. Seven beneficiaries were referred for free cataract surgeries, while anaemic children received follow up care, iron supplementation, and parental counselling on nutrition.

Gyanarjan in Action: Nurturing Talent Against All Odds

Sahana Kolur, a student of RV Girls' High School, achieved an outstanding 619 out of 625 marks (99.04%) in the SSLC examinations. Coming from a humble background, she overcame financial challenges with the support of her family and the Gyanarjan Project, which provided academic guidance, learning materials, and mentorship.
The initiative played a key role in strengthening her preparation and confidence. Grateful for this support, Sahana now aspires to pursue higher education in the science stream and dreams of becoming a doctor to serve society.

Menstrual Hygiene and Awareness Sessions: Menstrual health and hygiene awareness sessions were conducted for 142 women.
Awareness on Safe Drinking Water: Awareness sessions were conducted to promote safe drinking water practices, including boiling, filtration, and hygiene, to prevent water-borne diseases.

Environmental Awareness
E Waste Awareness Session: An awareness session on e waste management was conducted at Kadipur School for 60 students, focusing on safe disposal and recycling practices.
Environment Day Celebration: The day was observed through sapling plantation and collective pledges to nurture plants and reduce plastic use.

Cultural Thematic Activities
Children's Festival – Sapno Ki Udaan: The festival provided a platform for children to express creativity through cultural performances, games, and competitions. Thirty children showcased their products and creative work, while 94 children from the Child Activity Centre (CAC) and Kadipur School actively participated in various activities and competitions.
Special Days Celebrations: Independence Day, World Day Against Child Labour, Raksha Bandhan, International Yoga Day, Christmas, and New Year were celebrated through storytelling, yoga sessions, games, crafts, and cultural activities.

2. Sustainable Livelihood

At ABFRL, we follow a "childhood to livelihood" approach, where our interventions support individuals at different stages of life. Our work begins with a strong focus on Girl Child Education, ensuring access to education and learning opportunities. We believe that education is the foundation, but real impact is achieved only when learning leads to income and independence.

To take this journey forward, our Sustainable Livelihood Initiatives act as a natural extension of our education efforts. These initiatives support youth, women, and artisan communities in moving from education and skills to sustainable livelihoods.

Under this approach, ABFRL implements programs such as the 1) Skill Academy, which helps youth and women build employable skills, 2) Promotion and Sustenance of Art and Art Forms, to strengthens traditional crafts while supporting artisan livelihoods, 3) Craft Entrepreneurs Accelerator Program, to support emerging craft based enterprises, and 4) Artisan Cluster Development, to build strong enterprises, capacities, and local ecosystems for craft based livelihoods.

2.1 Skill Academy

Skill Academy is one of our core initiatives under our focus area of Sustainable Livelihood. It aims to impart appropriate employable skills and create sustainable livelihood opportunities for the rural women and youths. Based on market demand, we provide skill training in Assistant Electrician, Jewellery Making, Aari Wark, and Beautician.
In FY 2025–26, 483 youth enrolled for skill training, of which 451 were trained and certified, and 355 youth secured job placements. Beyond skill development, the program also supported women entrepreneurs through business handholding, along with soft skills and financial literacy training, to help them build sustainable livelihoods.
Over the years, Skill Academy trained and certified 4,377 rural youths. Of these, 78% have been linked to sustainable livelihood opportunities.

2.2 Craft Entrepreneurs Accelerator Program

The Craft Entrepreneurship Accelerator Program primarily focused on supporting craft entrepreneurs in strengthening and refining their business models. Through the program, 12 entrepreneurs received specialized mentorship in key areas such as design, product development, market channels, and business strategy. In addition, each business was provided with one-on-one guidance tailored to its individual growth needs, helping enterprises identify opportunities, address challenges, and build a stronger foundation for sustainable development. The program also recognised that strong craft enterprises can play a significant role in helping the crafts of India flourish. By building scalable, market-ready, and sustainable businesses, the initiative aimed to create stronger market access for craft-based products, generate livelihoods, encourage innovation rooted in tradition, and contribute to the long-term growth and visibility of India's craft sector.

Enabling Craft-Led Enterprises Through Mentorship and Market Linkages:

ABFRL's Craft Entrepreneurship Accelerator Program was launched as a collaborative initiative between ABFRL and NICEorg to support emerging craft-based enterprises across India. The accelerator provided a structured platform for mentoring, business guidance, market-readiness support, and ecosystem collaboration for entrepreneurs working across fashion, home décor, lifestyle, gifting, and artisanal product categories. The initiative aimed to move beyond short-term visibility support and instead create a long-term ecosystem for enterprises, strengthening, artisan-linked growth, and cultural sustainability.

This was a first-of-its-kind intervention designed to support the artisan community through mentorship by engaging industry experts. The initiative benefited twelve enterprises across multiple states in the first cohort of the program. These enterprises were successfully linked with established businesses, enabling them to explore new revenue streams and build confidence in product development and design while actively engaging the artisan community.

The enterprises are now in the process of pitching their businesses to new investors to further accelerate their growth at the grassroots level.

2.3.Artisan Cluster Development

The Artisan Cluster Development initiative focuses on strengthening the capacity and livelihoods of artisan communities in Meghalaya. The program adopts a holistic approach through the establishment of Common Facility Centres (CFCs), introduction of commercial handlooms, structured skill development, product innovation, and market linkage support.

The project aims to develop artisan clusters at Aradonga (West Khasi Hills) and Mendima Rabha (North Garo Hills) by enhancing artisan capacities, improving production capabilities, and connecting artisans with market opportunities. In doing so, the initiative seeks to generate sustainable livelihoods while preserving and promoting the rich craft traditions of the region.

2.4 Promotion and Sustenance of Art and Art Forms, Odisha

Odisha's rich artistic heritage, spanning over 2,500 years, is showcased in its vibrant traditions of music, dance, and crafts. Among these, Pattachitra and Pothichitra, rooted in temple paintings, stand out as ancient art forms. To sustain and promote these art forms, ABFRL initiated a CSR intervention in Nayak Patana and Danda Sahi villages in the Puri district.

Promotion of Ancient Art through Wall-painting at Nayak Patana

Individual household paintings of Pattachitra and Pothichitra were completed across Nayak Patana village, enhancing the visibility of traditional art forms in public spaces. The initiative benefited 546 community members.

Financial Support to Artisan SHGs

We provided financial assistance and capacity support to eight Artisan Self Help Groups (SHGs) engaged in Pattachitra and Pothichitra art. The groups were supported in production and marketing activities, enabling 80 artisan families to strengthen their livelihoods and move towards self reliance.

Capacity Building of Artisans

During the year, 42 artisans were selected and trained under the guidance of Guru Maga Nayak and Bibhu Maharana. Capacity building efforts continued through ongoing training programmes to further strengthen their skills. Upon completion of the training, the artisans were felicitated with completion certificates and provided stipends in recognition of their successful participation.

Thematic Intervention

Solar Street Lights: A total of 45 solar streetlights were installed across Nayak Patana, Danda Sahi, and Alandia villages, improving safety, visibility, and public mobility. The initiative benefitted 1,658 community members.

Eye Camps and Health Support: Eye camps were organised in Nayak Patana, Danda Sahi, Khasposha, and Alandia villages in collaboration with ASG Eye Hospital. A total of 340 individuals were screened, 270 spectacles were distributed, and 34 patients were referred for cataract surgery.

Sanitation and Cleanliness Support: To promote hygiene, dustbins were installed across artisan villages, including 20 dustbins in Danda Sahi following community consultations. These initiatives benefited 844 community members, with 242 beneficiaries in Danda Sahi.

Solar Water Pumping Systems: Two solar water pumping systems were installed at key water sources, along with tap water connections in selected locations. This ensured access to safe drinking water and benefited 2,198 community members across Nayak Patana, Danda Sahi, and Khasposha villages.

Village Information Centres (VICs): Village Information Centres were established in Nayak Patana and Danda Sahi, operated by appointed Digital Champions. The centres provide services such as printing, photocopying, job applications, Aadhaar updates, and other digital support, benefiting 546 community members.

Turning Homes into Living Art Galleries

ABFRL supported a month long skill development program for Pattachitra artists in Nayak Patana and Danda Sahi villages. The training, led by renowned artists, benefited 42 young practitioners, strengthening their traditional art skills.Post training, artists carried out wall paintings on homes and community spaces, giving the village a vibrant artistic identity. Artists were encouraged to paint their own houses, converting them into living galleries.

This initiative not only improved the visual appeal of the village but also created direct income generating opportunities for artists, as tourists could engage with and purchase art directly from households. The project successfully blended culture, community ownership, and sustainable livelihoods.

Empowering Women Artists Through Traditional Art

During the year, eight Self Help Groups (SHGs) comprising 80 families were identified in Nayak Patana village. These women artisans depend on Pattachitra/Pattachitra art as their primary source of livelihood, creating and selling traditional artworks and related products.

To strengthen their income generating activities, the CSR team provided financial assistance and marketing support. This support enabled the SHGs to enhance production capacity, improve access to markets, and sustain their traditional art practices.

As a result, the initiative is supporting 80 families in generating stable household income through art. The program has contributed to women's economic empowerment, preservation of cultural heritage, and the promotion of sustainable livelihoods at the community level.

Employee Volunteering Initiatives

ABFRL acknowledges the significant impact that employees can have on the community and are thus, dedicated to providing them with volunteering opportunities. Since 2016-17,

our employees have actively participated in volunteering activities, amassing a total of **3,05,467** volunteering hours from **58,736** employees.

In FY 2025-26, 5,431 employees from more than 55+ cities across the country participated in volunteering activities and contributed a total of **24,873** hours.

Our employees engage in various initiatives such as teaching English, delivering guest lectures, conducting soft skill sessions, mentoring women entrepreneurs, providing career guidance to rural youth, paintings, organizing retail exposure and mock interviews for students, distributing notebooks, supporting library programs, and participating in drives such as blood donations, cleanliness, health and safety awareness, and more.

Joy of Giving

Employees celebrated Diwali, Christmas, and New Year with children and the elderly across locations, spreading festive

cheer in collaboration with partner organisations.

Social Impact Assessment

Every three years, we carry out impact assessments for our CSR projects in order to identify gaps and implement corrective measures. Our Social Impact Assessment was conducted in FY 2024-25 with NAVGRAAM Development Consulting LLP. The impact assessment adopts a mixed methods approach, incorporating both quantitative (primary and secondary) and qualitative (primary) data collection techniques. The secondary data analysis related to programme outputs/numbers has also been covered using data sourced from CSR programme records.

With a score of 8 out of 10 (80%), the project achieved a 'Very Good' rating (meeting the 75% threshold).

Customer Relationship Management

At ABFRL, we are deeply committed to understanding and anticipating the expectations of our customers. Our focus remains on delivering superior products and services while ensuring a consistently engaging and rewarding customer experience. By doing so, we aim to strengthen our position as a brand of choice. To support this objective, we place strong emphasis on ongoing innovation and actively leverage customer insights and feedback. These efforts enable us to adapt to changing customer needs and preferences through well designed customer engagement and retention initiatives. We deliver accessible and inclusive customer service by implementing measures to support elderly and differently abled customers as well. This includes user-friendly digital platforms with simplified navigation and improved readability, as well as accessible in-store assistance.

Mission Happiness | Quality Care Cell | Take Back Programmes | Customer Voice Response System

Mission Happiness

The Mission Happiness Initiative was launched across our brands in 2014 with the objective of bringing consistency to customer complaint handling and delivering a seamless, positive customer experience. The programme has played a key role in systematically capturing, disseminating, and acting on customer feedback.

Customer insights are collected at various touchpoints, including in store iPads at the time of purchase, SMS communications shared with customers, and surveys hosted on our digital platforms. These feedback channels help us gain a comprehensive understanding of the customer journey, spanning website order confirmation, post delivery experience, refund processing, and post purchase product usage.

Feedback received is carefully tracked and analysed, and our employees are trained to address customer concerns swiftly and effectively. Furthermore, our strong Customer Relationship Management (CRM) framework supported by loyalty programmes and an efficient complaint resolution system enhances our ability to serve customers more effectively.

We aim to continuously elevate service standards across the industry and ensure that our customers consistently feel valued, acknowledged, and heard.

Customer Voice Response System

To enhance transparency and strengthen the management of customer grievances, ABFRL has implemented a Customer Voice Response System (CVRS), supported by an online Complaint Management System. The platform provides customers with a structured channel to share their experiences, feedback, and concerns, enabling the Company to capture actionable insights, identify areas for improvement, and enhance overall customer satisfaction.

Through the CVRS, we have established a robust mechanism for the timely resolution of product- and service-related complaints, with a committed turnaround time of 24 hours. This systematic approach facilitates prompt grievance redressal, reinforces accountability, and strengthens customer trust and confidence in the brand.

External Verification of Complaint Handling Process

Customer Complaints Redressal Mechanism

We have put in place a well-defined and easily accessible customer grievance redressal framework to facilitate prompt and effective resolution of customer concerns. Customers can register their complaints through various channels, including a dedicated toll-free helpline, email support and an AI-powered chatbot. Customers also receive an email confirming the complain has been registered. All grievances are centrally recorded, monitored and managed through the 'D-365' platform, enabling streamlined resolution, enhanced transparency and consistent service experience across customer touchpoints.

The customer complaint management processes also undergoes periodic independent review and assessment to ensure effectiveness, transparency and alignment with established quality and service standards. This includes evaluations by third-party assessments of systems and procedures governing complaint handling and resolution.

FY 2025-26			
	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-
Advertising	0	0	-
Delivery of essential services	0	0	-
Restrictive Trade Practices	0	0	-
Unfair Trade Practices	3	5	Total – 8 cases are pending in consumer courts at various stages (5 cases are carry forwarded from previous Fincancial Years and 3 new were received in FY 2025-26)
Others	0	0	-

Revolutionising E-commerce with Hyperlocal Capability

Customer satisfaction

We continue to redefine the digital retail experience through our integrated Super App, which brings together multiple customer touchpoints into a single, seamless platform. Designed for today's fast paced, digitally driven environment, the Super App enhances convenience and responsiveness while redefining the traditional retail journey. At the core of this transformation lies our hyperlocal capability, known as Express Delivery.

This model enables customers to browse and purchase products from nearby stores, with orders fulfilled locally to ensure faster delivery timelines. This location based functionality is available across multiple brands, offering a personalised and efficient shopping experience aligned with evolving consumer expectations. By leveraging local store inventories, the model allows customers to enjoy flexibility, speed, and ease, all within a unified digital ecosystem.

Unlike conventional e commerce frameworks that rely on extended and complex supply chains, our hyperlocal approach streamlines fulfilment by sourcing products directly from proximate stores. This significantly shortens delivery distances, reduces transportation costs, and lowers carbon emissions, contributing to a more sustainable and environmentally responsible e commerce model.

More than technological enhancement, hyperlocal fulfilment represents a strategic shift towards a more agile, customer centric, and sustainable retail ecosystem. By enabling faster deliveries, optimising costs, and reducing return rates, this innovation strengthens customer satisfaction and positions us at the forefront of digital retail, ready to meet the dynamic needs of modern consumers.

Reducing Product Returns

A key benefit of the hyperlocal model is its ability to reduce return rates through improved purchase accuracy. Our hyperlocal model helps lower return rates by enabling customers to connect directly with store teams for real time guidance on size, fit, and product features, leading to more informed purchase decisions. This reduces returns while delivering cost savings across logistics, manpower, and fuel consumption. Alongside this, a robust quality assurance framework ensures defective products are identified and addressed early. This includes strict quality checks on raw materials, alignment through Pre Production Meetings, inline inspections during manufacturing, and final checks before dispatch. All apparel products are labelled with key information, including fabric composition, care instructions, and vendor codes to ensure traceability and enable informed customer decisions, with 100% compliance to labelling requirements during the year. Post delivery store audits and feedback captured via the Post Purchase Mission Happiness (PPMH) initiative help analyse

complaints and drive continuous improvement, ensuring consistent product quality and customer satisfaction.Internal Audit Mechanism
We conduct internal audits at regular intervals, in accordance with a defined audit schedule. These audits are performed by trained internal auditors and are aimed at assessing compliance with our Quality Management System (QMS) procedures across manufacturing as well as functional operations. By covering all critical processes, the audits support consistent adherence to established quality standards, while also helping identify opportunities for corrective action and continual improvement.

Product Quality Management

At ABFRL, we are committed to delivering products that consistently meet defined standards of quality, durability, performance and customer expectations. Our product quality programme is supported by well-established Standard Operating Procedures (SOPs), which guide quality controls across the manufacturing process. These procedures enable structured monitoring, process consistency and adherence to required product specifications across our operations.

Our quality assurance approach includes audits at multiple stages of manufacturing to ensure compliance and strengthen product reliability. Fabric and garment performance tests are undertaken to validate key parameters such as mechanical strength and colour fastness. These assessments help ensure that products meet required durability and performance expectations before they progress through the value chain.

We adopt a proactive approach to quality management by embedding checks and controls across production and post-production stages. Random store audits are conducted for product validation, while periodic checks on bulk production are carried out to assess durability and maintain consistent quality standards. These interventions help reinforce product assurance, support early identification of improvement areas and enable timely corrective actions.

We continue to integrate technology into its quality management processes to enhance accuracy, efficiency and traceability. Advanced computerised machinery, including

FOLKSONG

under-bed trimmers, programmable embroidery machines and compressor machines for snap button applications, is deployed to improve precision in manufacturing. In addition, quality-related data is systematically captured and managed through the Product Lifecycle Management (PLM) platform, supporting traceability, feedback integration and informed decision-making.

A structured feedback mechanism is in place to support continuous improvement in product quality. Inputs are gathered from both internal and external sources, including stores and customer returns, enabling the organisation to identify trends and strengthen product performance. Measurable KPIs are also tracked to evaluate vendor performance and reinforce accountability across the supplier ecosystem.

Our quality governance is further supported by internal reviews and annual external audits, which are conducted to validate adherence to the Quality Management System. These audits provide an additional layer of assurance and help strengthen the consistency and effectiveness of quality practices across the organisation.

We also place strong emphasis on capability building and stakeholder engagement. Training is conducted for internal stakeholders to strengthen awareness of quality-related roles and responsibilities. For external stakeholders, a digitised platform has been enabled to share inputs on product adherence, facilitating transparent communication and timely response to quality observations.

Supplier adherence is a key element of our product quality framework. Elaborate quality assurance and testing manuals are in place to guide product requirements, while compliance with the Code of Conduct is mandatory. Garment performance tests and fabric performance tests are conducted through nominated external laboratories to ensure alignment with durability and quality standards.

In FY 2025-26, we continued to strengthen our quality controls through structured review and corrective action processes. Product quality observations were analysed at both product and fabric levels, and appropriate improvements, including modifications in tag placement for specialty knits and delicate fabrics, were implemented to enhance product care and prevent recurrence.

Through this integrated and technology-enabled approach, we continue to enhance our quality management systems, improve operational consistency and enhance customer satisfaction, while upholding our commitment to delivering high-quality products trusted by customers.

Customer Health and Safety

We are committed to upholding high standards of consumer health and safety by adhering to applicable OSHA guidelines and product-specific compliance requirements. Products are assessed for quality and safety during the design and development stages to ensure they meet defined safety standards.

At Pantaloons, the kidswear portfolio undergoes testing for key parameters such as pH and formaldehyde, covering around 27% by option and 35% by volume. In addition, all kidswear garments are passed through needle detectors to prevent metal contamination during manufacturing and packing.

Clear care and cautionary instructions are provided on product tags to guide safe handling and usage. We also continue to monitor market feedback and regulatory updates to proactively address potential concerns. In FY 2025-26, there were no incidents of product recalls, fines, penalties or non-compliance with voluntary health and safety codes.

Marketing and Labelling

We are dedicated to ethical, transparent, and consumer-centric marketing practices. We are also committed to providing accurate and balanced information about our products to our customers. Our Responsible Marketing and Advertising Commitment ensures that our content is fair, honest, and aligned with consumer rights which is to protect vulnerable market segments, and never compromise customers' privacy. For 100% of our products, we refrain from comparative advertising including exaggerated claims about the social and environmental impact of our products and guarantee that all product claims are accurate, verifiable, and non-deceptive. We abstain from disinforming customers on any competitors' products. We educate our customers on the safe and responsible usage of products, including guidelines for product handling (wash care, drying and ironing instructions for all our apparel products). Additionally, key product such as raw materials, finishes, or other significant attributes are disclosed beyond mandatory requirements through hangtags, exemplified by labels like LIVA and Giza Cotton.

Our apparel labels adhere to the 16 CFR 423 standard, clearly mentioning:

- Country of Origin
- Style and Product Details
- Date of Manufacture
- Manufacturer Code
- Fibre Content (in order of predominance)
- Care Instructions
- Cautionary Details
- Disposal Guidelines for Packaging

Over the past few years, there has been a significant increase in amendments under the Indian Legal Metrology Act and Rules, along with enhanced scrutiny by the authorities through inspections and issuance of notices. In light of this, and to ensure strict compliance while avoiding substantial penalties, the Legal team has taken proactive steps.

Multiple training sessions have been conducted for the relevant Sourcing and Brand teams to build awareness and reinforce understanding of the legal requirements relating to price tags and declarations on products. Additionally, the Legal team has developed a comprehensive, category-wise ready reference document that includes sample tags for various product categories. This document has been shared with all concerned teams for easy reference and implementation

During FY 2025-26, 12 incidents of non-compliance related to labelling standards were reported, resulting in a penalty of ₹4.05 lakhs. There were zero incidents of non-compliance, fines, penalties concerning marketing communications, reaffirming our integrity in customer engagement.

We provide comprehensive information about all our brands on our company website (https://www.abfrl.com). In addition, each of our brands maintains its own website, where updates on offerings are regularly shared. We also actively leverage various social media and digital platforms to engage with consumers and disseminate relevant updates.

Customer Satisfaction

Understanding customer sentiment is necessary for refining experiences and enhancing brand loyalty. We at ABFRL conduct annual customer satisfaction surveys and gather real-time feedback to identify improvement areas across channels. During FY 2025-26, our customer engagement efforts yielded impressive Net Promoter Scores (NPS): 92% at Pantaloons.

Supply Chain Management

In a rapidly transforming fashion and retail industry, a resilient, responsible and future-ready supply chain is central to long-term value creation. We have adopted an integrated approach to supply chain management that balances efficiency, ethical practices and environmental responsibility. By embedding sustainability principles across our sourcing network, we aim to reduce risks, manage costs and strengthen brand trust, while ensuring that our products meet high standards of quality, safety and responsibility.

Sustainable Sourcing

Our Sustainable Supply Chain and Procurement Policy reflects our commitment to responsible and ethical sourcing practices. We prioritise local procurement, where feasible, to reduce logistics-related emissions and support regional economic development. Through performance-driven and sustainability-focused partnerships with our suppliers, we strive to strengthen a responsible procurement ecosystem that aligns with our long-term environmental and social objectives.

Breakdown of Input Material Sourced from Suppliers

FY 2025-26	
Directly sourced from MSMEs/ Small Producers	93.86%
Directly from within India	96.48%

Supplier Network at ABFRL

At ABFRL, sustainability is embedded across all aspects of our supply chain. We recognise that strong and responsible supplier partnerships are critical to creating long-term value and delivering meaningful impact. Through a collaborative approach, shared accountability, and a focus on continuous improvement, we strive to enhance ethical, environmental, and social performance across our operations.

Our commitment extends beyond responsible sourcing to actively promoting fair labour practices, safe working conditions, and sustainable processes throughout the value chain, ensuring alignment with both organisational values and global sustainability standards.

Vendor Code of Conduct

We uphold stringent ethical and legal standards across our supply chain through our Vendor Code of Conduct. All suppliers are required to formally acknowledge and adhere to this Code, which is aligned with Indian labour laws as well as internationally recognised frameworks such as ILO conventions, SA 8000 and WRAP standards.

The Code encompasses key areas including legal compliance, workplace health and safety, fair wages, non-discrimination and anti-harassment practices. Furthermore, we also ensure that our suppliers adhere to fair competition principles and prohibits any anti-competitive conduct, including price fixing, bid rigging, cartel participation or collusion with competitors. As an Indian company, we comply with the Competition Act, 2002, which prohibits agreements that cause or are likely to cause an appreciable adverse effect on competition in India, and expects its suppliers to comply with all applicable competition and antitrust laws

During FY 2025–26, 95% of our Tier-1 suppliers complied with the requirements of the Code, including adherence to safeguards against child labour, forced or involuntary labour, workplace discrimination and sexual harassment, while ensuring fair remuneration and safe working conditions.

Supplier ESG programmes

Our Supplier ESG Programme is led by senior management and focuses on systematically identifying and mitigating ESG risks within our supply chain. This includes:

- Regular ESG risk assessments and audits
- Training and capacity-building for sustainability improvements and compliance with industry standards
- Alignment of purchasing practices to review alignment with the Vendor code of conduct

We have established a set of minimum ESG requirements in the Vendor Code of Conduct Manual that suppliers must adhere to participate in our tenders and be considered for contract awarding. Suppliers meeting the required compliance standards are eligible for assessment, and those with better ESG performance are prioritised during the selection process.

A dedicated grievance mechanism allows suppliers to report issues, and our team monitors and acts on concerns raised. Notably, no complaints were received from supply chain partners during the last two years. Additionally, internal process stakeholders oversee statutory dues, ensuring timely deduction and deposit by value chain partners through quarterly audits that enforce compliance.

During the year, we strengthened supplier engagement through targeted capacity-building initiatives focused on circular material integration, recycled yarn adoption, and value chain collaboration across mills and garmentors. These programmes also emphasised product quality management, traceability, and scalability of circular materials, alongside structured quality awareness sessions covering vendor performance, process adherence, and customer feedback. These initiatives covered 100% of domestic apparel vendors for Pantaloons..

Supplier Screening and Assessment

SUPPLIER SCREENING

Our Social Compliance and Quality team conducts an initial audit during vendor onboarding, followed by annual surveillance audits for all active vendors to ensure continued compliance. The supplier screening process is designed to identify key suppliers within our supply chain. It evaluates environmental, social, governance, quality, and compliance parameters, along with business factors such as price competitiveness, product quality, and delivery timelines. This process also considers risks specific to country, sector, and commodities. Through this screening, we can identify potential sustainability related risks, which are then addressed through a detailed supplier assessment to improve visibility and risk mitigation. We have screened all 477 tier-1 suppliers including 70 unique suppliers out of which 20 are significant tier-1 suppliers. During the reporting period, we screened all newly onboarded suppliers using environmental and social criteria.

Supplier Assessment

During the year, 70 suppliers were assessed for social and environment impacts in the supply chain. Of these, 12 suppliers were identified with significant actual or potential negative impacts on social criteria and six for environment criteria. Corrective action plans were agreed and implemented by 100% of these suppliers with no terminations.

We have also developed a Supplier Sustainability Index (SSI) to evaluate the social and environmental performance of Tier-1 and Tier-2 suppliers. The SSI, based on global standards and self-assessments, scores suppliers across Quality, Social, and Environmental parameters. Higher scores indicate stronger performance, lower risk of disruption, and improved supply chain resilience. During the reporting period, 33 suppliers were assessed using the SSI framework. 3 suppliers were certified under Higg Facility Environmental Module (FEM), demonstrating adherence to recognised environmental performance standards.

Supplier Development and Collaboration

We continue to invest in strengthening the capabilities of our supplier base through targeted engagement and capacity-building initiatives, including:

- Support for corrective action implementation and remote technical guidance
- Periodic monitoring and supplier performance assessments
- Tailored workshops on circular fashion, chemical management and the Code of Conduct
- Green Channel Partnership Programme
- Partner Innovation Summit

Topics covered under the training (FY 2025-26)	Total number of awareness programmes held
Vendor Code of Conduct Capability training	7
Supplier Sustainability Index	1

Ensuring Quality Management

To meet evolving customer aspirations and expectations, we remain focused on delivering products of consistent quality. Our Quality Management System (QMS) enables product excellence across sourcing channels by establishing clear product specifications in collaboration with suppliers and conducting quality checks at key stages, including raw material testing, in-process audits and final product inspections.

Higg Index Adoption

We have been a committed member of the Cascale community (formerly the Sustainable Apparel Coalition) for over a decade, leveraging the Higg Index as a key framework to assess and enhance sustainability performance

Logistics

Our logistics infrastructure plays a critical role in strengthening supply chain agility and enhancing customer satisfaction. It supports seamless inbound and outbound transportation, warehousing and distribution across the business. Our logistics network is strategically aligned with key business units, including Lifestyle Brands, Pantaloons and Van Heusen Innerwear, enabling efficient and responsive product movement. By leveraging road, air and maritime transportation, along with a network of strategically located warehouses, We ensure timely deliveries, operational efficiency and strong market responsiveness across geographies.

Stakeholder Engagement in Logistics

We continued to strengthen engagement with our logistics partners through structured communication and collaborative governance mechanisms regular operational reviews and performance discussions with logistics service providers enabled effective monitoring of delivery timelines provide quality safety practices and regional operational challenges.

Policy Advocacy

We recognise that addressing global sustainability challenges requires coordinated and collective action. We actively participate in strategic collaborations and policy advocacy initiatives that advance circularity, responsible sourcing, sustainable material use and low-carbon practices. Through partnerships with national and international stakeholders, we contribute to building a more responsible fashion ecosystem aligned with India's priorities as well as global climate and sustainability goals.

Our policy advocacy efforts are supported through engagement with leading global platforms, industry bodies and trade associations that help shape sustainability standards and sector-wide frameworks. These collaborations enable us to benchmark our performance, adopt emerging best practices and co-create solutions that support a more sustainable and resilient fashion value chain. Notable associations include:

Contributions and Spending

In FY 2025-26, we contributed ₹0.4 crore to various trade associations and collaborative platforms as part of annual membership fees.

The largest contributions included: ₹0.13 crore

Policy Advocacy Initiatives

At ABFRL, we have established a robust framework to monitor and review policy advocacy efforts, supported by a clearly defined structure of roles and accountabilities across teams based in our Bengaluru and Mumbai offices. The designated team operates under the oversight of the Chief Sustainability Officer (CSO), who provides regular updates to the Management Committee, comprising key members of the leadership team, on progress across critical industry-related matters.

We have implemented a systematic pre-engagement review and monitoring process covering all direct lobbying activities undertaken by in-house teams or third parties engaged by the Company. This includes interactions with policymakers, regulatory institutions and participation in

GIZ – ABFRL DeveloPPP on public private partnership project (International)	Zero Discharge of Hazardous Chemicals (ZDHC) (International)	International Retail Association of India (RAI) (National)	National Clothing Manufacturers Association of India (CMAI) (National)	United Nations Global Compact (UNGC)
Cascale (formerly known as Sustainable Apparel Collation (SAC)) (International)	International Ellen McArthur Foundation International Cotton 2040 (International)	Circular Apparel Innovation Factory (CAIF) (International)	Textile Exchange Membership (International)	
WBCSD (International)	Confederation of Indian Industry (CII) (National)	Federation of Indian Chambers of Commerce & Industry (FICCI) (National)	Indian Chamber of Commerce (ICC) (National)	

consultations intended to influence legislation.

As part of this process, all proposed lobbying positions are assessed to ensure alignment with the Paris Agreement and the Company's climate-related policy positions, which are aligned to a 1.5°C and net-zero pathway. The process is overseen by the Sustainability function, with periodic review by Chief Sustainability Officer (CSO).

We ensure transparency by reporting on our climate-related direct lobbying activities, including key areas of engagement with policymakers and regulators. During the reporting period, our direct lobbying efforts focused on supporting policies related to renewable energy adoption, circular economy development, sustainable materials and emissions reduction, consistent with Paris Agreement goals.

We publicly communicate our commitment to the Paris Agreement through disclosures available on our website. We aspire to accelerate our decarbonisation efforts in alignment with global climate goals and has established a defined emissions calculation methodology. We have further committed to Science Based Targets initiative (SBTi)-validated near-term targets, reinforcing its approach to climate action.

We also expect our trade associations and business partners to demonstrate a similar level of commitment towards climate alignment. In instances of misalignment, has instituted a governance framework to address such gaps, which may include engagement, corrective measures, or, where necessary, the discontinuation of partnerships with entities that do not align with the Paris Agreement.

Key Advocacy |Themes and Impact

Circular Fashion and Economy

GIZ – ABFRL DeveloPPP on public private partnership project	The develoPPP Project aims to strengthen circular business practices in the Indian market. We are working with GIZ to develop material innovation, reduce harmful substances, increase textile-to-textile recycling, develop alternatives to plastic packaging, and promote traceability.
Circular Apparel Innovation Factory (CAIF)	We have collaborated with Circular Apparel Innovation Factory (CAIF) to accelerate sustainable fashion concepts and build a circular textile ecosystem. This collaboration intends to bring forth ideas and innovations that will add more strength to our pioneering work around sustainability.
Ellen MacArthur Foundation	We have collaborated with the Ellen MacArthur Foundation to promote a circular economy through the 'Make Fashion Circular' movement. Through this collaboration, we aspire to redesign the future of fashion by collectively raising industry targets and priority actions and reinforcing complementary initiatives to progress/advance towards the collective vision.

Materials and Hazardous Chemicals Management

The Project SU.RE	We are signatory to the Project SU.RE (Sustainability Rating), a game-changing project that promotes sustainable fashion for the ready-made garment sector. The project was launched in 2019 by the Union Minister for Textiles along with the Clothing Manufacturers Association of India (CMAI), the United Nations in India, and IMG Reliance.
Zero Discharge of Hazardous Chemicals (ZDHC)	We are committed to transforming our value chain to deliver sustainable fashion beyond traditional approaches reducing the chemical footprint.
Textile Exchange	We have partnered with Textile Exchange to accelerate the adoption of alternate materials in the value chain by focusing on various sustainability traits, including emission and water reduction as part of our holistic approach to drive positive impact for the entire industry.

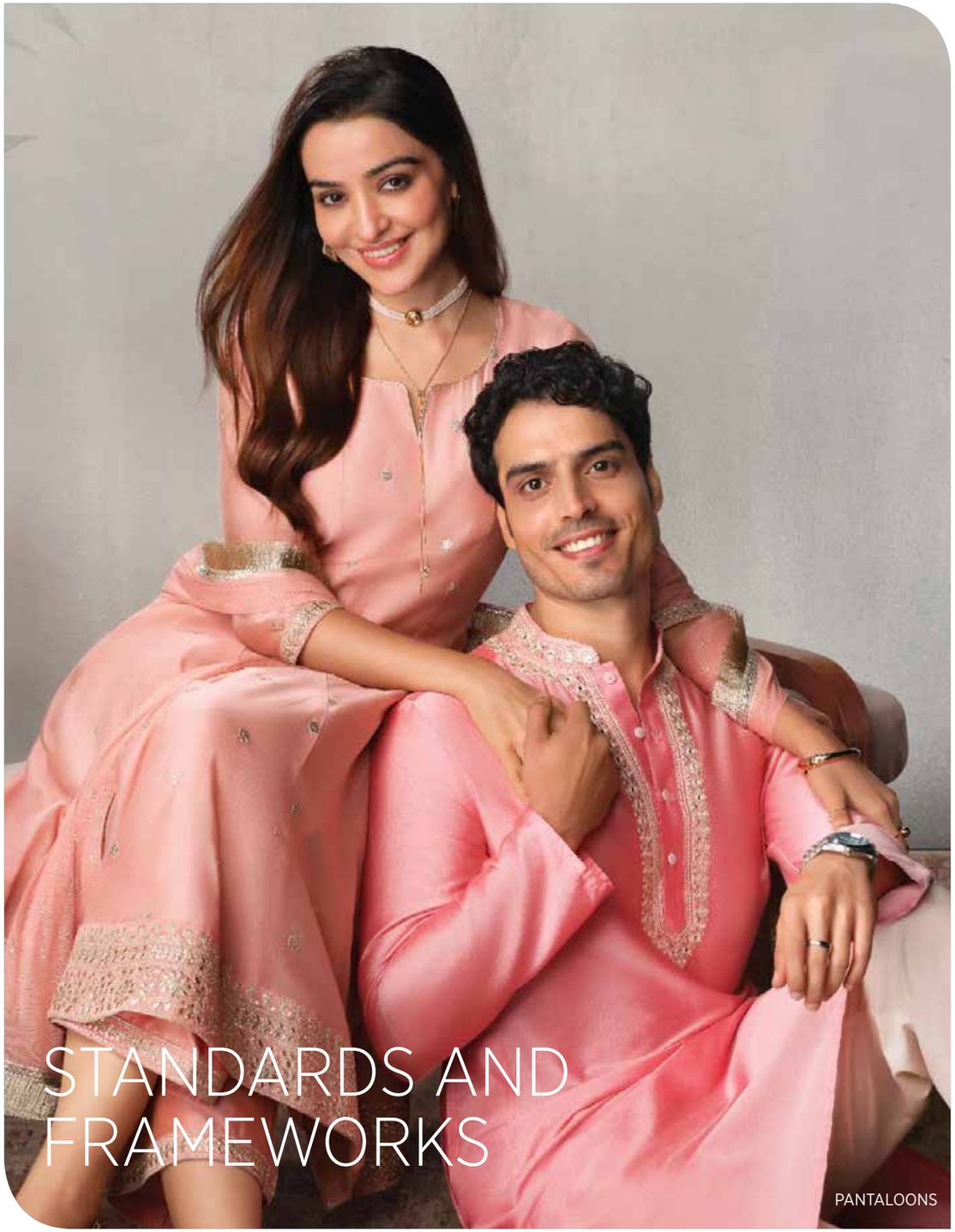
Climate Change

Collaboration with CII, FICCI, and ICC	Our CSO is an active member of the CII and FICCI's Climate Change and Environment Committee. The CSO serves as the Cochair of FICCI's Circular Economy Committee and chairs the Sustainability and Climate Change Committee of the Indian Chamber of Commerce (ICC). Through this, we drive action and attention towards climate change-related aspects across multiple industries and the significance of acting in alignment with the Paris Agreement.

Policy

UNGC	We maintain an active relationship with the United Nations Global Compact (UNGC) and we operate in full alignment with the UNGC's principles, embedding them into our formal policies across human rights, labour, environment, and anti-corruption, reinforcing our commitment to responsible and sustainable business practices globally.

PANTALOONS



STANDARDS AND FRAMEWORKS

PANTALOONS

GRI Standards Content Index

STATEMENT OF USE	Aditya Birla Fashion and Retail Ltd. has reported in accordance with the GRI Standards for the period 1st April 2025 and 31st March 2026
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	DISCLOSURE	LOCATION	PAGE NUMBER	OMISSION		
				REQUIREMENT(S) / OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Businesses at a Glance	8-9			
	2-2 Entities included in the organization's sustainability reporting	About the Report	2-3			
	2-3 Reporting period, frequency and contact point	About the Report	3			
	2-4 Restatements of information	About the Report	2			
	2-5 External assurance	Assurance Statement	273			
	2-6 Activities, value chain and other business relationships	Our Businesses at a Glance	8-9			
	2-7 Employees	Human Capital	57			
	2-8 Workers who are not employees	Human Capital	57			
	2-9 Governance structure and composition	Corporate Governance	210-221			
	2-10 Nomination and selection of the highest governance body	Corporate Governance	226			
	2-11 Chair of the highest governance body	Corporate Governance	210-211			
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	234-235			
	2-13 Delegation of responsibility for managing impacts	Corporate Governance	229-230			
	2-14 Role of the highest governance body in sustainability reporting	Natural Capital | TCFD Alignment	90-91			
	2-15 Conflicts of interest	Corporate Governance	210-221			
	2-16 Communication of critical concerns	Corporate Governance | TCFD Alignment	234			

GRI Standards	DISCLOSURE	LOCATION	PAGE NUMBER	OMISSION		
				REQUIREMENT(S) / OMITTED	REASON	EXPLANATION
	2-17 Collective knowledge of the highest governance body	Corporate Governance	214-223			
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance | TCFD Alignment	226-227			
	2-19 Remuneration policies	Corporate Governance	228, 231			
	2-20 Process to determine remuneration	Corporate Governance	231			
	2-21 Annual total compensation ratio	Directors Report	192			
	2-22 Statement on sustainable development strategy	TCFD Alignment	3-4			
	2-23 Policy commitments	Corporate Governance	238-239			
	2-24 Embedding policy commitments	Corporate Governance	238-239			
	2-25 Processes to remediate negative impacts	Corporate Governance |Human Capital	236-237			
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance	236			
	2-27 Compliance with laws and regulations	Natural Capital	90			
	2-28 Membership associations	Social and Relationship Capital	108-109			
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment	37			
	2-30 Collective bargaining agreements	Human Capital	68			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment	37			
	3-2 List of material topics	Stakeholder Engagement and Materiality Assessment	32-35			
MATERIAL TOPICS-RESOURCE MANAGEMENT- ENERGY AND WATER						
GRI 302: Energy 2016	3-3 Management of material topics	Natural Capital	89-91			
	302-1 Energy consumption within the organization	Natural Capital	92-93			
	302-2 Energy consumption outside of the organization	Natural Capital	-	Omitted	Information unavailable/ incomplete	Monitoring Mechanism under progress
	302-3 Energy intensity	Natural Capital	93			
	302-4 Reduction of energy consumption	Natural Capital	94			
	302-5 Reductions in energy requirements of products and services	Natural Capital	-	Omitted	Not Applicable	Our products do not consume direct energy
MATERIAL TOPICS-RESOURCE MANAGEMENT- ENERGY AND WATER						
GRI 303: Water And Effluents 2018	3-3 Management of material topics	Natural Capital	95			
	303-1 Interactions with water as a shared resource	Natural Capital	95			
	303-2 Management of water discharge-related impacts	Natural Capital	-	Omitted	Not Applicable	ABFRL does not discharge to local water bodies
	303-3 Water withdrawal	Natural Capital	96			
	303-4 Water discharge	Natural Capital	96			
	303-5 Water consumption	Natural Capital	96			
MATERIAL TOPIC – CLIMATE CHANGE						
GRI 305: Emissions 2016	3-3 Management of material topics	Natural Capital	91			
	305-1 Direct (Scope 1) GHG emissions	Natural Capital	94			
	305-2 Energy indirect (Scope 2) GHG emissions	Natural Capital	94			
	305-3 Other indirect (Scope 3) GHG emissions	Natural Capital	94			
	305-4 GHG emissions intensity	Natural Capital	94			
	305-5 Reduction of GHG emissions	Natural Capital	94			
	305-6 Emissions of ozone-depleting substances (ODS)	Natural Capital	95			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital	95			
MATERIAL TOPIC - WASTE MANAGEMENT AND CIRCULAR ECONOMY						
GRI 306: Waste 2020	3-3 Management of material topics	Natural Capital	96-97			

GRI Standards	DISCLOSURE	LOCATION	PAGE NUMBER	OMISSION		
				REQUIREMENT(S) / OMITTED	REASON	EXPLANATION
	306-1 Waste generation and significant waste-related impacts	Natural Capital	97			
	306-2 Management of significant waste-related impacts	Natural Capital	96-97			
	306-3 Waste generated	Natural Capital	97			
	306-4 Waste diverted from disposal	Natural Capital	97			
	306-5 Waste directed to disposal	Natural Capital	97			
MATERIAL TOPIC - SUSTAINABLE PRODUCT						
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Social and Relationship Capital	118-119			
	308-1 New suppliers that were screened using environmental criteria	Social and Relationship Capital	119			
	308-2 Negative environmental impacts in the supply chain and actions taken	Social and Relationship Capital	119			
MATERIAL TOPIC - OCCUPATIONAL HEALTH AND SAFETY						
GRI 403: Occupational Health And Safety 2018	3-3 Management of material topics	Human Capital	76-77			
	403-1 Occupational health and safety management system	Human Capital	78-79			
	403-2 Hazard identification, risk assessment, and incident investigation	Human Capital	76-77			
	403-3 Occupational health services	Human Capital	75			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital	75-76			
	403-5 Worker training on occupational health and safety	Human Capital	78-79			
	403-6 Promotion of worker health	Human Capital	76-77			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital	78			
	403-8 Workers covered by an occupational health and safety management system	Human Capital	75			
	403-9 Work-related injuries	Human Capital	77			
	403-10 Work-related ill health	Human Capital	-	Omitted	Not applicable	Our operation involved only cutting stitching related work and our employees are not exposed to hazardous conditions that could result in work-related health issues. As a result, we do not experience work-related ill health within our operations
MATERIAL TOPIC - SUSTAINABLE PRODUCT						
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Social and Relationship Capital	118-119			
	414-1 New suppliers that were screened using social criteria	Social and Relationship Capital	119			
	414-2 Negative social impacts in the supply chain and actions taken	Social and Relationship Capital	119			
QUALITY						
GRI 416: Customer Health And Safety 2016	3-3 Management of material topics	Social and Relationship Capital	116			
	416-1 Assessment of the health and safety impacts of product and service categories	Social and Relationship Capital	117-118			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Social and Relationship Capital	117-118			
MATERIAL TOPIC - PRODUCT QUALITY AND SAFETY						
GRI 417: Marketing And Labeling 2016	3-3 Management of material topics	Social and Relationship Capital	117			
	417-1 Requirements for product and service information and labeling	Social and Relationship Capital	117			

GRI Standards	DISCLOSURE	LOCATION	PAGE NUMBER	OMISSION		
				REQUIREMENT(S) / OMITTED	REASON	EXPLANATION
	417-2 Incidents of non-compliance concerning product and service information and labeling	Social and Relationship Capital	117-118			
	417-3 Incidents of non-compliance concerning marketing communications	Social and Relationship Capital	117-118			
OTHER MATERIAL TOPIC						
GRI 201: Economic Performance 2016	3-3 Management of material topics	Financial Capital	41			
	201-1 Direct economic value generated and distributed	Financial Capital	42			
	201-2 Financial implications and other risks and opportunities due to climate change	TCFD REPORT	3-7			
GRI 202: Market Presence 2016	3-3 Management of material topics	Human Capital	63			
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Human Capital	63			
	202-2 Proportion of senior management hired from the local community	Human Capital	60			
GRI 413: Local Communities 2016	3-3 Management of material topics	Social and Relationship Capital	106-107			
	413-1 Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital	108-109			
GRI 418: Customer Privacy 2016	3-3 Management of material topics	Intellectual Capital	85-86			
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Intellectual Capital	87			

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

PETER ENGLAND

TOPIC	METRIC	CATEGORY	CODE	REFERENCE	PAGE NO.
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	CG-AA-250a.1	Social and Relationship Capital | Chemical Management System	-
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	CG-AA-250a.2	Social and Relationship Capital | Chemical Management System Natural Capital | Product Sustainability	-
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Quantitative	CG-AA-430a.1	Social and Relationship Capital | Supply Chain Management	118-119

TOPIC	METRIC	CATEGORY	CODE	REFERENCE	PAGE NO.
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM assessment or an equivalent environmental data assessment	Quantitative	CG-AA-430a.2	Social and Relationship Capital | Supply Chain Management	117-119
Labour Conditions in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labour code of conduct, (3) percentage of total audits conducted by a third-party auditor	Quantitative	CG-AA-430b.1	Social and Relationship Capital | Supply Chain Management	117-119
	Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits	Quantitative	CG-AA-430b.2	Social and Relationship Capital | Supply Chain Management	117-119
	Description of the greatest (1) labour and (2) environmental, health, and safety risks in the supply chain	Discussion and Analysis	CG-AA-430b.3	Social and Relationship Capital | Supply Chain Management	117-119
Raw Materials Sourcing	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factor(s) most likely to threaten sourcing, (3) discussion on business risks or opportunities associated with environmental or social factors and (4) management strategy for addressing business risks and opportunities	Discussion and Analysis	CG-AA-440a.3	Natural Capital | Raw Material Management	98-99
Activity Metrics	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	CG-AA-000.A	Social and Relationship Capital | Supply Chain Management	117-119

IFRS STANDARD – S2

SR NO.	DISCLOSURE/STANDARD	LOCATION	PAGE NUMBER
Governance			
5	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	Natural Capital | ESG Governance	91-92
6	To achieve this objective, an entity shall disclose information about:		
	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	Natural Capital | ESG Governance	91-92
	(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Natural Capital | ESG Governance	91-92
	(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Natural Capital | ESG Governance	91-92
	(iv) how the body(s) or individual(s) takes into account climate related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Natural Capital | ESG Governance	91-92

SR NO.	DISCLOSURE/STANDARD	LOCATION	PAGE NUMBER
	(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Natural Capital | ESG Governance	91-92
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	Natural Capital | ESG Governance	91-92
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Natural Capital | ESG Governance	91-92
Strategy			
8	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities.		
9	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:		
	(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	TCFD report | Strategy	2
	(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain (see paragraph 13);	TCFD report | Strategy	2
Climate-related risks and opportunities			
10	An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:		
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	TCFD report | Strategy	2
	(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	TCFD report | Strategy	2
	(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	TCFD report | Strategy	2
	(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	TCFD report | Strategy	2
Business model and value chain			
13	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climaterelated risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:		
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	TCFD report | Strategy	2
Strategy and decision-making			
14	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:		
	(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	Natural Capital |Energy Management Natural Capital|Emission Management	90-95
	(ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	Natural Capital |Energy Management Natural Capital|Emission Management	90-95
	(iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);	Manufactured Capital	46-51
	(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	Natural Capital |Energy Management Natural Capital|Emission Management	90-95
Climate resilience			
22	An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances . In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:		
	(b) how and when the climate-related scenario analysis was carried out, including:	TCFD report | Risk Management	3-6
	(i) information about the inputs the entity used, including:	TCFD report | Risk Management	3-6
	(1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	TCFD report | Risk Management	3-6
	(2) whether the analysis included a diverse range of climate-related scenarios;	TCFD report | Risk Management	3-7
	(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	TCFD report | Risk Management	3-7
	(4) whether the entity used, among its scenarios, a climaterelated scenario aligned with the latest international agreement on climate change;	TCFD report | Risk Management	3-7
	(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	TCFD report | Risk Management	3-7
	(6) the time horizons the entity used in the analysis; and	TCFD report | Strategy	2
Risk management			
	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.		
25	To achieve this objective, an entity shall disclose information about:		
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	TCFD report | Risk Management	3-7
Metrics and targets			
27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.		

SR NO.	DISCLOSURE/STANDARD	LOCATION	PAGE NUMBER
28	To achieve this objective, an entity shall disclose:		
	(a) information relevant to the cross-industry metric categories (see paragraphs 29–31);	Natural Capital|Climate Strategy	91
	(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	Natural Capital|Climate Strategy	91
	(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).	Natural Capital|Climate Strategy	91
Climate-related metrics			
29	An entity shall disclose information relevant to the cross-industry metric categories of:		
	(a) greenhouse gases—the entity shall:		
	(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as:		
	(1) Scope 1 greenhouse gas emissions;	Natural Capital|Emission Management	94
	(2) Scope 2 greenhouse gas emissions; and	Natural Capital|Emission Management	94
	(3) Scope 3 greenhouse gas emissions;	Natural Capital|Emission Management	94
	(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	Natural Capital|Emission Management	94
	(iii) disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including:	Natural Capital|Emission Management	94
	(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	Natural Capital|Emission Management	94
	(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Natural Capital|Emission Management	94
	(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Natural Capital|Emission Management	94
	(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:	Natural Capital|Emission Management	94
	(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	Natural Capital|Emission Management	94
	(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose:	Natural Capital|Emission Management	94
	(1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	Natural Capital|Emission Management	94
	(i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and	Natural Capital|Emission Management	94

SR NO.	DISCLOSURE/STANDARD	LOCATION	PAGE NUMBER
Climate-related targets			
33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:		
	(a) the metric used to set the target (see paragraphs B66–B67);	Natural Capital|Climate Strategy	91
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Natural Capital|Climate Strategy	91
	(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	Natural Capital|Climate Strategy	91
	(d) the period over which the target applies;	Natural Capital|Climate Strategy	91
	(e) the base period from which progress is measured;	Natural Capital|Climate Strategy	91
	(f) any milestones and interim targets;	Natural Capital|Climate Strategy	91
	(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	Natural Capital|Climate Strategy	91
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Natural Capital|Climate Strategy	91
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	Natural Capital|Climate Strategy	91
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Natural Capital|Climate Strategy	91
	(b) the entity's processes for reviewing the target;	Natural Capital|Climate Strategy	91
	(c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	Natural Capital|Climate Strategy	91
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	Natural Capital|Emission Management	91
36	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:		
	(a) which greenhouse gases are covered by the target.	Natural Capital|Climate Strategy	91
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Natural Capital|Climate Strategy	91
	(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).	Natural Capital|Climate Strategy	91
	(d) whether the target was derived using a sectoral decarbonisation approach.	Natural Capital|Climate Strategy	91
	(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71:	Natural Capital|Emission Management	91

Report Of The Board Of Directors

Dear Members,

Your Company's directors hereby present the 19th Annual Report in the form of 3rd Integrated Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2026 ("year under review/ FY 2025-26").

Management Discussion and Analysis

PANTALOONS

OVERVIEW

Global demand and economic activity remained resilient throughout calendar year 2025 and into early 2026, despite a volatile operating environment. In 2025, the global economy experienced growth of around 3.4%, led by stronger-than-expected momentum in China and the United States.

However, early 2026 was marked by heightened uncertainty, driven by geopolitical tensions, commodity price spillovers and elevated inflation expectations. These factors created near-term pressure on trade, input costs and business sentiment.

At the same time, firmer growth and employment data, lower tariff rates than once anticipated, coupled with continued technology- and AI-led investment helped preserve the underlying growth trend.

Global growth over the next two years is expected to remain broadly stable, though slightly slower, with expansion projected at 3.1% in 2026 and 3.2% in 2027. This suggests continuity in the economic cycle rather than a sharp break. Inflation and geopolitical risk remain watchpoints, but the current growth appears more resilient than earlier anticipated.

Indian Economy Overview

India remained well positioned within this global context, supported by a strong domestic economic base and relatively limited dependence on external demand. Real GDP growth is estimated at 7.7% for FY2025-26, while the RBI's FY2026-27 projection of 6.6% indicates continued resilience despite global uncertainty.

The growth momentum has been broad-based, led by private consumption and investment, with services remaining resilient and manufacturing showing improvement. Steady public investment, better business activity and

policy support through personal tax relief, GST-related changes and continued formalisation have further supported demand conditions.

For consumer-facing sectors such as fashion retail, the underlying environment remains constructive. Despite near-term employment uncertainty from AI-led disruption, rising household spending, growing aspirations, and deeper penetration beyond large metros continue to broaden the addressable consumer base. While demand may remain uneven in the near term, the medium-term consumption outlook remains structurally positive.

The key near-term risk stems from factors linked to the West Asia conflict, particularly through higher energy prices, freight costs and supply-chain disruptions. These pressures could increase input costs and weigh on inflation and consumer sentiment in the short term. However, unless the conflict escalates materially or remains prolonged, it is unlikely to alter India's long-term growth trajectory, which continues to be supported by resilient domestic consumption and investment momentum.

Industry Review: Global Apparel Industry

The global apparel industry remains one of the largest consumer-facing sectors, supported by recurring demand, fashion-led replacement cycles and steady expansion of branded retail across developed and emerging markets. The market was estimated at USD 1.84 trillion in calendar year 2025 and is expected to reach around USD 1.9 trillion in 2026, implying growth of approximately 3.3%. Asia Pacific remains the largest regional market, accounting for 40.8% of global apparel revenue in 2025, driven by the scale of consumption and manufacturing ecosystems across China, India and Southeast Asia.

In the near term, growth is expected to remain steady, though consumers are likely to remain value-conscious amid lingering inflation and global uncertainty. Over the medium to long term, the outlook remains constructive, with the global apparel market projected to reach USD 2.54 trillion by 2033, growing at a CAGR of 4.1% for 2026–2033. Overall, macro volatility may soften near-term momentum, but the long-term opportunity remains intact.

The sector is also undergoing a structural shift across products, channels and operating models. Digital commerce, AI-led product discovery, sharper inventory planning and sustainability-led innovation are becoming increasingly important for growth and margin protection. At the same time, physical retail continues to remain relevant, with offline channels retaining the largest share of global apparel sales, supported by consumer preference for touch-and-feel, fit trials and in-store experiences.

Industry Review : Indian Apparel Industry

India's apparel industry has witnessed a period of moderate growth over the past few years, as inflationary pressures, uneven discretionary spending and increasing household debt affected demand across parts of the market. However, early signs of recovery are now evident, with consumers prioritising affordability, variety and a strong price-value proposition. Festive and wedding-led demand, improving consumer sentiment and traction in value and mass-premium formats have also helped the category momentum turn a corner.

Despite near-term softness, India's apparel industry remains one of the most attractive structural consumption opportunities, supported by favourable demographics, rising household incomes, growing fashion consciousness and increasing preference for branded products. New collection launches, expanding occasion-led consumption and a young consumer base continue to support resilient demand across segments. The domestic apparel retail market is estimated to be around ₹10 lakh crore in FY2025-26.

The medium- to long-term opportunity is sizeable, with India's apparel retail market projected to reach more than ₹14 lakh crore by FY2029-30, growing at 9% CAGR, owing to rising disposable incomes, increasing urbanisation, deeper penetration of branded apparel and the continued expansion of organised retail into Tier-II and Tier-III cities. This expansion is democratizing access to branded fashion, creating a larger addressable market across both premium and value segments.

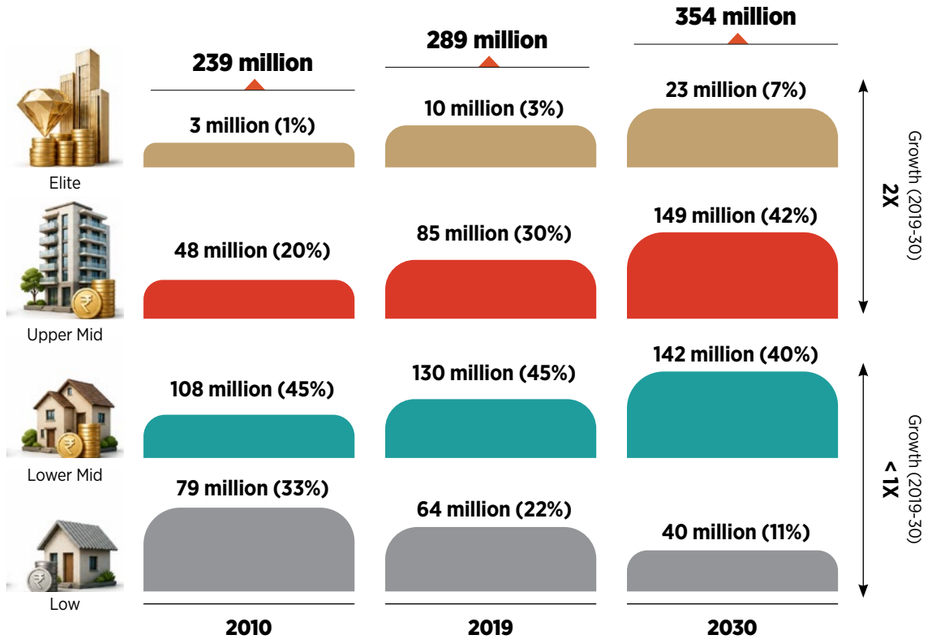
At the same time, India's consumer landscape is undergoing a structural transformation, with a rapidly expanding affluent and upper-middle-income population. As household incomes rise, spending on branded fashion is expected to increase, creating significant opportunities across premium, aspirational and value segments. Your Company is uniquely positioned to serve these evolving consumer cohorts through its diversified portfolio of brands.

Rising affluence increasing households in high income segment

This shift in consumer affluence is complemented by another structural trend—the increasing movement from unorganised to organised retail. The organised retail sector currently accounts for approximately 41% of India's apparel market and is expected to outpace the overall category, supported by brand-led formats, stronger retail infrastructure, international brand entry, digital commerce and omnichannel capabilities.

The sector is also evolving across formats, price points and operating models as consumers become more discerning, with demand increasingly shaped by fashion relevance, new usage occasions, convenience and brand experience. As a result, companies with diversified brand portfolios, strong supply chain capabilities, disciplined retail expansion, digital integration and the ability to serve multiple consumer segments are well positioned to capture the next phase of growth in India's apparel market.

RISING AFFLUENCE INCREASING HOUSEHOLDS IN HIGH INCOME SEGMENT



Source:
BCG X Rai 2022,
1. Annual HH gross income based on 2019 prices, Bloomberg
Note: Annual Gross HH income in INR Mn p.a.: Elite (>2); Affluent (1-2); Aspirers (0.5-1); Next Billion (0.1-0.5); Strugglers (<0.15)

Key Trends in the Indian Apparel Industry

MASABA

TASVA

AURELLIA

India's apparel industry is entering a more mature and aspirational phase, Consumers are increasingly brand-conscious, experience-oriented and digitally influenced, placing greater value on product quality, brand trust, design relevance and overall shopping experience than on price alone. Moreover, social media, influencer-led discovery and online commerce have accelerated trend adoption across urban and emerging markets, as consumers increasingly seek apparel that reflects lifestyle and identity

Transition from Unorganized to Branded Retail

India's apparel market is steadily shifting from fragmented, unorganized retail towards organized and branded formats as consumers increasingly seek assurance around product quality, sizing consistency, service standards and brand credibility. In addition to already established Tier 1 markets, this transition is more pronounced in Tier II and Tier III cities, where rising aspirations, mall development, digital awareness and higher disposable incomes are driving strong demand for branded fashion.

Omni-Channel Integration

Customer journeys are no longer purely offline or online — consumers may discover a product on social media, check availability, try it in-store and purchase via an app, making omnichannel integration critical.

Leading players are integrating store data, website behaviour, app engagement, purchase history and post-purchase interactions to create a unified customer view. This has enabled better personalization, targeted offers, inventory allocation, assisted selling and seamless services such as click-and-collect, online returns, endless aisle and store-based fulfilment.

Next Gen Fashion Consumption

Gen Z and millennials are emerging as the most influential consumer groups in the Indian fashion playbook, viewing apparel less as a functional purchase and more as a medium of self-expression and identity, as their decisions are often trend-led. This is pushing brands to accelerate product refreshes, collaborate with influencers and stay relevant to pop culture, while building authenticity, story-telling and community into their brand strategy.

Hyper-Personalized Customer Engagement

Personalization is becoming a key differentiator in fashion retail. Brands are using customer data to recommend products based on browsing history, past purchases, preferred fits, price sensitivity, occasions and style preferences.

This shift is helping improve conversion rates, reduce decision fatigue and increase repeat purchases. Personalized communication across WhatsApp, email, apps, loyalty programs and in-store interactions is becoming central to customer retention. The future of apparel retail will depend heavily on how well brands can understand and serve individual customer needs at scale.

Faster Fashion Cycles and Speed-to-Market

Trend cycles in India are becoming shorter due to social media, celebrity influence, global exposure and fast-moving consumer preferences. Apparel brands now need to move from seasonal planning to faster, more responsive product development.

Speed-to-market is becoming especially important in categories like youth fashion, women's western wear, streetwear, activewear and occasion-led collections. Brands that can quickly identify trends, manufacture in smaller batches, test demand and scale winning products are better positioned to capture consumer attention and reduce inventory risk.

Quick Commerce and Faster Fulfilment Expectations

Convenience is becoming an important part of apparel shopping, especially in urban markets. While fashion has traditionally involved longer purchase cycles and higher return rates, consumers are increasingly expecting faster delivery for selected categories such as basics, occasion wear, innerwear, accessories and last-minute fashion needs.

Quick commerce and rapid delivery models are beginning to influence fashion retail, particularly for high-demand SKUs and metro consumers. This trend may push brands to rethink inventory placement, local warehousing, store-based fulfilment and city-level assortment planning.

Sustainability & ESG

Sustainability is moving from a marketing theme to a core business priority. Consumers, investors and regulators are increasingly expecting apparel brands to take visible action on responsible sourcing, ethical manufacturing, waste reduction, circularity and transparent ESG reporting.

Brands are responding through eco-friendly fabrics, recycled materials, better water management, responsible packaging, resale models, repair initiatives and improved supply-chain traceability. While sustainability adoption is still uneven, it is likely to become an important differentiator over the long term.

Data-Led Decision Making and AI Adoption

Data and AI are becoming important enablers across the apparel value chain. Brands are using analytics to forecast demand, plan assortments, personalize recommendations, optimize pricing, identify customer segments and improve marketing efficiency.

ADITYA BIRLA FASHION AND APPAREL LIMITED — BUSINESS OVERVIEW

MASSTIGE AND VALUE RETAIL

Leader in value and masstige, leveraging a strong two-brand strategy targeting two distinct customer segments.

₹4.2 Lakh Cr

(7%+ CAGRFY26 - FY30P)

pantaloons
SPARK YOUR IMAGINATION
ownd!

LUXURY RETAIL

A fast-growing bridge to luxury & luxury platform of The Collective, Galeries Lafayette & select mono brands.

₹0.6 Lakh Cr

(7%+ CAGRFY26 - FY30P)

Galeries Lafayette MUMBAI
ADITYA BIRLA | LUXURY
THE COLLECTIVE

TMRW

A leading portfolio of digital-first brands who are category leaders and category creators enabled by TMRW's Centre of Excellence (COE).

₹1.3 Lakh Cr

(11%+ CAGRFY26 - FY30P)

URBANO
TIGC The Indian Garage Co
VEIRDO
JUNEBERRY
bewakoof
WROGN
Nautinati
NOBERO

ETHNIC PORTFOLIO

Comprehensive ethnic portfolio with top designer partnerships and premium ethnic brands of Tasva, W, Aurelia, Folkson, Eleven, Wishful, Jaypore.

₹2.7 Lakh Cr

(20%+ CAGRFY26 - FY30P)

DESIGNER
SABYASACHI CALCUTTA
TARUN TAHILIANI
SHANTNU NIKHIL COUTURE
masaba
PREMIUM
TASVA A TARUN TAHILIANI
JAYPORE
aurelia
eleven
WISHFUL
W
FOLKSONG Authentic | Soulful | Handcrafted

AI is also being explored in design inspiration, product tagging, virtual styling, size recommendations and customer service. As competition increases, data-led decision making will become essential for improving profitability, reducing waste and delivering more relevant customer experiences.

Business Overview

The fashion industry can be broadly categorized into a few key themes, each shaped by distinct consumer trends and growth drivers:

1. Value Fashion: This segment continues to remain highly relevant, supported by large population of price-conscious consumers, shift of unorganised to organised retail and faster and efficient sourcing models. The organised value fashion market is growing at more than 15%.

2. Ethnic Wear: Ethnic wear remains a key driver of occasion-led demand, blending traditional preferences with contemporary designs. The occasion wear segment is growing at over 11%.

3. Luxury Fashion: The luxury segment continues to witness steady growth, driven by rising disposable incomes, aspirational consumption, and increasing digital access to premium and international brands.

4. Digital Fashion: Digital-first fashion is gaining momentum as online platforms and virtual experiences evolve. The segment holds strong long-term potential across immersive retail and digital brand engagement, with direct-to-consumer (D2C) fashion brands continuing to outpace the broader e-commerce fashion market.

Your Company is positioned as a high-growth fashion and lifestyle platform, built on a multi-vertical portfolio architecture that enables it to participate across a wide spectrum of India's evolving fashion consumption landscape. The company addresses diverse consumer segments across price points, occasions, geographies and shopping behaviours.In short span of time, we have successfully built

- The largest ethnic wear portfolio
- A leading luxury retail platform
- A dominant masstige and value retail presence
- One of the largest digital-first brands portfolio

Going forward, your Company's strategic priority is expected to shift from portfolio creation and expansion towards profitable and sustainable growth. Several brands within the portfolio are currently in scale-up or turnaround phases, and the company's focus will likely be on improving operating performance across these businesses.

Key priorities over the next few years are expected to include improving store productivity, strengthening unit economics, optimizing costs, managing inventory more efficiently, expanding margins and achieving defined profitability milestones across key brands.

In essence, your company's next phase will be about converting its broad fashion portfolio into profitable scale. As its newer and turnaround businesses mature, the company is expected to move towards a more balanced growth model focused on revenue growth, operating discipline and long-term value creation.

Financial Performance in FY26

Your Company delivered a strong performance in FY26, marked by double-digit revenue growth and continued improvement in profitability. Overall revenue grew 11% year-on-year, supported by healthy momentum across key business segments and improved execution across the portfolio.

Profitability remained a key focus area during the year, with EBITDA growth outpacing revenue growth. This performance was driven by better operating leverage, disciplined execution and sustained margin improvement across key businesses. The Ethnic portfolio delivered a particularly strong margin expansion, while TMRW continued to make steady progress on its path towards improved profitability.

The company also delivered robust retail performance during the year. Strong organic growth across segments was supported by improved execution and healthy like-to-like growth. Expansion momentum accelerated across priority markets, with more than 180 new stores added during the year, resulting in nearly 600,000 sq. ft. of net retail space addition.

Your Company continued to strengthen its presence across emerging formats and digital channels. The launch of new formats such as Galeries Lafayette and OWND reflects the company's focus on aligning with evolving consumer preferences and expanding its reach across newer consumption spaces. E-commerce sales grew by more than 20% year-on-year, increasing the share of e-commerce revenue to around 16%.

Overall, FY26 reflected your Company's continued progress towards building a more balanced and scalable growth model. The company's performance was supported by revenue growth, improving profitability, retail expansion, stronger digital traction and continued focus on omnichannel capabilities.

Financial Performance in FY26

Your Company delivered a strong performance in FY26, marked by double-digit revenue growth and continued improvement in profitability. Overall consolidated revenue grew 11% year-on-year, supported by healthy momentum across key business segments and improved execution across the portfolio. Your company also delivered robust retail performance during the year. Strong organic growth across segments was supported by improved execution and healthy like-to-like growth. Expansion momentum accelerated across priority markets, with more than 180 new stores added during the year, resulting in nearly 600,000 sq. ft. of net retail space addition.

Particulars	FY25	FY26
Revenue	7,355	8,177
EBITDA*	854	967
EBIT*	-312	-373
PBT	-880	-888
PAT	-624	-830
EBITDA %	11.60%	11.80%
EBIT %	-4.20%	-4.60%
PBT %	-12.00%	-10.90%
PAT %	-8.50%	-10.10%
Capital Employed	9,863	11,286
ROCE	-3.20%	-3.30%
Net Debt Equity Ratio	-0.1	0.02

* FY25 & FY26 PAT includes exceptional gain/(loss) of ₹161.15 crore and (₹39.86) crore, respectively.

In terms of profitability, the Ethnic portfolio delivered strong margin expansion, supported by a meaningful reduction in losses at TCNS, while TMRW continued to make steady progress towards breakeven. Pantaloons maintained healthy margins, driven by improved sell-through, disciplined inventory management and a higher contribution from full-price sales.

Your Company continued to strengthen its presence across emerging formats and digital channels. The launch of new formats such as Galeries Lafayette and OWND (re-branded from Style Up) reflects the company's focus on aligning its portfolio with evolving consumer preferences and expanding its reach across newer consumption spaces. E-commerce sales including TMRW grew by more than 20% year-on-year, increasing the share of e-commerce revenue to around 16%.

Overall, FY26 reflected your Company's continued execution of its strategic priorities, delivering balanced growth across its established businesses while creating scalable growth engines for the future. The company's performance was supported by revenue growth, improving profitability, retail expansion, stronger digital traction and continued focus on omnichannel capabilities.

Business	Revenue		Revenue Growth	Stores		Area ('000 sq. ft.)		FY26 E-commerce
	FY25	FY26	vs FY25	FY25	FY26	FY25	FY26	(% of Sales)
Pantaloons Segment	4,373	4,560	4%	451	478	6,084	6,447	~4%
Ethnic Businesses	1,956	2,227	14%	654	685	989	1,112	~8%
TMRW*	651	872	34%	16	60	46	95	~93%
Luxury	517	596	15%	41	50	147	217	~22%
Elimination	-142	-79	—	—	—	—	—	—
ABFRL	7,355	8,177	11%	1,167	1,273	7,271	7,870	~16%

* Excluding WROGN.

FOLKSONG

MASSTIGE AND VALUE RETAIL : PANTALOONS

Positioning & Proposition

Pantaloons continues to strengthen its proposition as a contemporary, accessible and experience-led fashion destination for India's evolving consumers. As shoppers increasingly seek fashion that reflects individuality, aspiration and everyday versatility, Pantaloons has been focused on building a sharper and contemporary brand identity. The business is being repositioned to appeal to younger, more fashion-conscious consumers while continuing to serve its core customer base through an improved product offering, stronger brand mix and enhanced retail experience.

FY26 Performance & Scale

Pantaloons' retail network continues to serve as a strong platform for growth, with 399 stores spanning 28 states and Union Territories across India. Of these, approximately 260 stores are located in metro and mini-metro cities, reinforcing the brand's presence in key consumption centres. The company remains focused on maintaining a high-quality retail footprint while continuously enhancing the in-store experience. More than a store upgrade, this evolution reflects Pantaloons' ambition to create memorable fashion experiences and further strengthen its position as one of India's preferred fashion destinations.

Strategic Progress

A key focus in FY26 was enhancing the overall customer proposition through refreshed product assortments, modernised store layouts, improved visual merchandising, broader product offerings, simplified store navigation, and a merchandise mix more closely aligned with evolving consumer preferences. These initiatives were further strengthened by the increased use of technology across merchandise planning, product and design development, and store layout optimisation. Collectively, these efforts have enabled the brand to engage more effectively with both existing and new customers, driving stronger throughput across physical stores and digital channels.

Customer engagement continues to be an important growth lever for the brand. Pantaloons has built a sizeable loyalty base of ~17 million customers, providing a strong platform for repeat purchases, personalized communication and deeper consumer relationships. The business remains focused on expanding this loyalty ecosystem, improving customer retention and rekindling engagement with both existing and new customers through sharper targeting, better product relevance and more personalized offers.

Pantaloons' fashion offering is supported by a well-balanced mix of private labels, other Aditya Birla Fashion brands, and external brands. Pantaloons' private labels contribute approximately 63% of the business, with their share being even higher in newer stores. When other Aditya Birla Fashion brands are included, the overall contribution rises to around 75%. These, owned and group brands cater to a wide range of consumer needs across categories, occasions, and price points. They also play a key role in strengthening differentiation, improving margins, and providing greater control over product design, pricing and availability. Complementing this portfolio, external brands enhance choice, credibility, and variety, enabling Pantaloons to offer a more complete and compelling fashion proposition.

Pantaloons Private Labels

Operationally, Pantaloons continues to strengthen planning, merchandising and supply-chain processes, with a focus on improving product freshness, inventory turns, sell-through and throughput. Stronger planning discipline and

ajile | 7alt | SF JEANS CO | PEREGRINE | annabelle

honey | Dreamz | PEOPLE | STREET 808 | RANGMANCH

AKKRITI | marigold LANE | indusroute | FOREVER Glam | URBAN RANGER

pantaloons Junior | pantaloons Baby

supply-chain responsiveness are helping align inventory efficiently with demand patterns, cut inefficiencies and lift store productivity.

Omnichannel capabilities continue to be an increasingly important pillar of Pantaloons' growth strategy. More than 65% of the store network is now omni-enabled, up from approximately 60% in FY25, enabling the brand to deliver a more seamless and integrated shopping experience across physical stores and digital channels. The e-commerce channel delivered strong growth during the year, supported by better product availability, a higher share of new-season merchandise and improved parity between online and offline assortments. As customer journeys become more integrated, Pantaloons' omnichannel model is expected to further enhance convenience, availability and customer engagement.

Priorities Ahead

Overall, FY26 was another year of pursuing the strategic shift for Pantaloons in terms of repositioning of brand while strengthening its operating model to align with the strategic shift, placing it well to drive sustainable growth and profitability going forward in a shifting market context.

OWND, MAHBUBNAGAR

OWND, KOCHI

Positioning & Proposition

OWND is launched as a contemporary, fashion-forward brand focused on Gen-Z audiences seeking trend-led, aspirational and distinctive fashion choices. The brand proposition is anchored in offering trendy and fresh merchandise; with a focus on building stronger product newness, sharper assortments and better consumer resonance.

FY26 Performance & Scale

The brand strengthened its market presence during the year through the addition of 34 new stores, expanding its total footprint to 79 stores. This expansion reflects the company's intent to build OWND as a meaningful growth platform, while maintaining focus on establishing a scalable business model. Key priorities include sharper merchandising, improved product availability, higher store productivity, better throughputs and stronger inventory turns. These initiatives are expected to support improved unit economics and create a stronger foundation for a larger scale in future. OWND Stores (Mahbubnagar and Kochi)

Priorities Ahead

With a new leadership team in place, the immediate priority will be to sharpen the brand proposition, establish product-market fit and crack a scalable business model. Based on the outcomes of these initiatives, the company will chart the next phase of expansion for OWND.

ETHNIC WEAR BRANDS

TASVA

Positioning & Proposition

Your Company's ethnic wear business has emerged as a scalable and differentiated platform spanning a strong portfolio of well-known and marquee brands in premium and designer space. The business is now one of India's largest and most comprehensive ethnic wear portfolios, with annual revenue of over ₹2,200 crore and a retail network of more than 680 stores across brands.

FY26 Performance & Scale

During the year, the portfolio expanded further, adding over 80 new stores while maintaining a strong growth trajectory and improving profitability. In FY26, the ethnic business delivered overall growth of 14%, reflecting healthy momentum across the portfolio. Profitability also improved meaningfully, with margins expanding by 560 basis points over FY25 to 10.8%, supported by better execution, scale benefits and improved operating performance.

Particulars	Designer FY25	Designer FY26	Premium FY25	Premium FY26	Total FY25	Total FY26
Revenue	868	1,091	1,089	1,136	1,956	2,227
EBITDA	171	211	-69	30	102	242
EBITDA %	19.70%	19.40%	-6.30%	2.70%	5.20%	10.80%
Stores	56	62	598	623	654	685

DESIGNER WEAR BRANDS
SABYASACHI

SABYASACHI

Positioning & Proposition

Sabyasachi continued to strengthen its position as one of India's leading designer wear businesses, built on a distinctive luxury proposition rooted in Indian craftsmanship, heritage and cultural storytelling. With revenue of over ₹600 crore, the brand has established itself as a scaled luxury platform across apparel, accessories and jewellery. Its design philosophy is anchored in timelessness, quality and provenance, allowing it to serve discerning customers across key Indian luxury markets as well as internationally through its presence in New York.

FY26 Performance & Scale

FY26 was a strong year for Sabyasachi, with double-digit growth across all categories. The brand continued to deepen its luxury positioning through a combination of high quality craft led product excellence, immersive retail experiences and powerful storytelling. The opening of the new Bangalore flagship store further strengthened its domestic retail presence, creating an elevated environment that brings together craftsmanship, service, design and brand experience in one of India's most important luxury markets. Internationally, Sabyasachi's global narrative continued to gain momentum through high-impact collaborations and visibility across leading cultural and luxury platforms. The brand's participation in prominent art-led and fashion-led events, along with collaborations with global partners, reinforced its ability to reinterpret Indian design codes for an international audience.

Priorities Ahead

Both domestically and internationally, the brand will continue to strengthen its positioning as a truly global luxury house, with a focus on sustained profitability, distinctive brand equity and growing international recognition.

TARUN TAHILIANI

TARUN TAHILIANI

Positioning & Proposition

Tarun Tahiliani continued to strengthen its distinctive "India Modern" design philosophy, seamlessly blending Indian craftsmanship, intricate couture detailing, fluid draped silhouettes and contemporary global aesthetics. Over the last three decades, the brand has established itself as one of India's leading luxury fashion houses, with a strong presence across bridal wear, occasion wear, menswear, accessories and jewellery.

FY26 Performance & Scale

FY26 was a strong year for the brand with growth at 10%, with performance driven by the bridal and fashion categories, particularly lehengas and sarees. The brand continued to benefit from its strong equity in the luxury occasion wear segment and its ability to offer contemporary interpretations of traditional Indian attire.

FY26 was a strong year for the brand, with revenue growing by 10%, driven by healthy momentum across the bridal and fashion categories, particularly lehengas and sarees. The brand now operates 7 Couture stores and 4 OTT stores, enabling it to serve both bespoke luxury clients and consumers seeking ready-to-wear occasion fashion. A significant milestone during the year was the celebration of 30 years of Tarun Tahiliani, marked through a series of initiatives and events that showcased the brand's consistent commitment to innovation, craftsmanship and design excellence. These celebrations reinforced the brand's legacy while highlighting its continued relevance among modern luxury consumers. Building on this legacy, the brand's luxury pret offering, OTT, which was introduced in 2024, continued to gain strong momentum during the year.

Priorities Ahead

Going forward, Tarun Tahiliani will focus on strengthening its leadership in luxury bridal and occasion wear while continuing to deepen the brand's distinctive "India Modern" design philosophy. The brand will seek to scale its couture and ready-to-wear (OTT) offerings through selective retail expansion, sharper product innovation and stronger consumer engagement. Continued investments in brand storytelling, customer experience and disciplined execution are expected to support sustainable growth, improve profitability and enhance the brand's relevance in India and select international markets.

HOUSE OF MASABA

HOUSE OF MASABA

Positioning & Proposition

House of Masaba is a young, differentiated lifestyle brand that has carved a unique position at the intersection of fashion, beauty and accessories through its distinctive Indian design language, bold prints and contemporary aesthetic.

FY26 Performance & Scale

FY26 was another solid year for the brand, delivering double-digit growth driven by continued momentum across fashion and beauty categories. The brand's offline presence continued to strengthen, with 22 exclusive House of Masaba stores across key markets. Its beauty brand, LoveChild by Masaba, further expanded its reach through 100+ retail touchpoints, helping deepen consumer penetration and improve accessibility. Digital channels remain a key pillar of the business, contributing approximately 45% of overall sales, reflecting the brand's strong online community and ability to effectively engage consumers across platforms. House of Masaba also continued to enhance brand visibility and consumer engagement through a series of high-impact collaborations with celebrities, influencers, and leading consumer brands.

Priorities Ahead

Going forward, House of Masaba will focus on strengthening its position as a differentiated lifestyle brand at the intersection of fashion, beauty and accessories. The brand will seek to scale its fashion and beauty businesses through sharper product innovation, selective retail expansion and deeper digital engagement. Building on the momentum of LoveChild by Masaba, the business will continue to widen distribution, introduce new categories and strengthen consumer reach across online and offline channels.

SHANTNU & NIKHIL

SHANTANU & NIKHIL

Positioning & Proposition

Shantnu & Nikhil is a contemporary Indian luxury fashion brand renowned for its sharp tailoring, structured drapes, refined detailing and modern interpretation of Indian occasion and ceremonial wear. The brand's portfolio spans multiple formats and consumer segments. Its flagship couture and ceremonial wear business caters to luxury consumers across men's and women's occasion wear, while S&N by Shantnu Nikhil offers a more accessible prestige-prêt proposition. The portfolio is further complemented by SNCC (Shantnu Nikhil Cricket Club), which extends the brand into contemporary lifestyle fashion, enabling engagement with a younger and broader consumer base.

FY26 Performance & Scale

In FY26, the brand delivered steady performance, supported by product refreshes, enhanced storytelling, and stronger consumer engagement initiatives. The brand is now available through a network of 21 stores, providing a strong platform to serve consumers across key markets. Business continued focus on design innovation, collection launches, and brand-building efforts helped reinforce its positioning within the premium occasion wear segment.

Priorities Ahead

Going forward, Shantnu & Nikhil will focus on strengthening its position in contemporary luxury occasion wear through continued design innovation, sharper brand storytelling and elevated consumer experiences. The brand will seek to scale its couture and ceremonial wear business while expanding the reach of S&N by Shantnu Nikhil and SNCC to engage a broader and younger consumer base. Selective retail expansion, continuous product innovation and deeper omnichannel engagement will remain key priorities, supporting sustainable growth, improved productivity and enhanced brand relevance across consumer segments.

PREMIUM ETHNIC WEAR BRANDS : TASVA

TASVA

Positioning & Proposition

TASVA, launched in FY22 through a strategic partnership with Tarun Tahiliani, marked the Company's entry into the premium men's ethnic wear segment. The brand offers a contemporary interpretation of Indian celebration wear across sherwanis, bandhgalas, kurta sets, dinner jackets and accessories, combining traditional craftsmanship with modern design, superior fit and enhanced comfort.

FY26 Performance & Scale

FY26 was a strong year for the brand, characterized by robust growth, improving operating metrics and increasing consumer acceptance. TASVA delivered high double-digit like-to-like (L2L) growth, reflecting continued progress towards building a sustainable and profitable business. Consumer response remained encouraging across key wedding and festive categories, supported by improvements in product assortment, retail productivity and brand visibility. The brand also accelerated its retail expansion during the year, adding over 30 stores and reaching a network of 94 stores across the country. This expanded footprint has strengthened TASVA's presence in key wedding and occasion wear markets while improving accessibility for consumers across metros and emerging cities.

Priorities Ahead

Going forward, TASVA will continue scaling its presence in high-potential wedding markets, deepening penetration in leading metros and further strengthening its positioning as a preferred destination for premium men's ethnic and celebration wear. The brand remains focused on driving profitable growth through a combination of network expansion, improved retail productivity, product innovation and disciplined execution

TCNS PORTFOLIO

AURELIA, KOLKATA

FOLKSONG

Positioning & Proposition

TCNS portfolio is Your Company's women's ethnic wear platform, with a portfolio of brands including W, Aurelia, Wishful, Elleven and Folksong, each catering to distinct consumer needs across fusion wear, everyday ethnic wear, occasion wear, bottom wear, and craft-led Indian wear. Together, these brands address a broad spectrum of consumers and occasions, enabling TCNS to maintain a strong presence across the women's ethnic wear market.

The portfolio is well positioned to capitalize on evolving consumer preferences, with increasing demand for contemporary silhouettes, elevated design, premium product offerings, and stronger brand-led fashion propositions. Through its multi-brand architecture, TCNS serves consumers across value, premium, and occasion-led segments while balancing scale with differentiated brand positioning.

FY26 Performance & Scale

FY26 was a year of significant progress, with improvement in the quality of growth and profitability of the business. Key priorities included launch of renewed products, innovation of retail formats along with rationalisation of network, deeper consumer engagement, tighter inventory management and driving operating leverage across the platform. These efforts resulted in meaningful improvements in business fundamentals, with losses reducing by nearly 50% during the year on a YoY basis.

Improved store productivity, sharper merchandise planning, and enhanced consumer engagement drove healthy retail momentum across key markets. The business delivered a like-for-like retail growth of 10% in FY26.

Strategic Progress

The progress was supported by a series of strategic interventions focused on building a more scalable and profitable business model. A sharper product strategy, including the introduction of occasion wear and fusion-wear capsules, improved assortment relevance and supported stronger sell-through. At the same time, network optimisation and a more disciplined approach to profitable e-commerce growth helped reduce exposure to underperforming channels. While these measures moderated near-term growth, they significantly reduced losses and strengthened the foundation of the business. Together with the initiatives planned for the coming year, these actions are expected to accelerate revenue growth and drive further improvement in profitability.

The brand portfolio also witnessed meaningful strategic progress during the year. W continued to strengthen its fashion credentials and premium positioning through design-led collections and global fashion showcases. Aurelia refreshed its retail identity and consumer proposition to improve relevance and accessibility. The renewed proposition of Wishful as a standalone brand in the occasion wear segment supplemented the portfolio, enhancing its presence across celebration-led consumption occasions and broadening its appeal to more premium ethnic wear consumers.

Priorities Ahead

Going forward, TCNS will focus on driving sustainable and profitable growth by accelerating omnichannel expansion, strengthening its digital ecosystem, and enhancing its product portfolio across premium, occasion, and fusion wear.

The business will continue to invest in consumer-led innovation, data-driven merchandising and sharper brand storytelling to deepen customer engagement and improve conversion. Operational excellence, supply chain agility, and disciplined inventory management will remain key priorities, alongside leveraging synergies within the Aditya Birla Fashion portfolio. Together, these initiatives are expected to strengthen profitability, improve capital efficiency, and position TCNS for long-term leadership in India's organised women's ethnic wear market.

JAYPORE

JAYPORE

Positioning & Proposition

Jaypore occupies a distinctive position at the intersection of Indian craftsmanship and contemporary living. The brand is dedicated to preserving, adapting, and reimagining India's rich artisanal traditions for the modern consumer through a thoughtfully curated portfolio spanning apparel, sarees, menswear, jewellery, bags, footwear and lifestyle accessories.

Its design philosophy is rooted in premium natural fabrics, authentic craft techniques, meticulous workmanship, and timeless aesthetics. The product offering seamlessly addresses a range of occasions—from everyday dressing and workwear to festive celebrations and elevated occasion wear—making it particularly relevant for the modern professional consumer seeking understated elegance and cultural authenticity.

FY26 Performance & Scale

FY26 was another strong year for the brand, with revenue growing by more than 20% with its retail network expanding to 45 stores, including the addition of more than 15 stores during the year. This expansion was complemented by robust growth in the e-commerce business, supported by stronger omnichannel capabilities and a more seamless, integrated consumer experience across physical and digital touchpoints.

Priorities Ahead

Jaypore's brands salience will continue to be drivern by rich storytelling, and craft-first product approach continue to serve as key differentiators. As consumer interest in heritage-led design, artisanal products and contemporary ethnic wear continues to strengthen, the brand remains well positioned to deepen its leadership within the premium craft-inspired lifestyle and fashion segment.

LUXURY RETAIL

THE COLLECTIVE, JALANDAR

The Collective and Mono Brands

Positioning & Proposition

The Collective is India's leading destination for super premium and luxury fashion, offering a curated portfolio of globally renowned brands under one roof, supported by a best-in-class retail experience. Its digital platform, thecollective.in, continues to strengthen its position as a leading online destination for luxury and bridge-to-luxury fashion, expanding the brand's reach and accessibility among a growing base of digitally engaged consumers. The brand caters to discerning consumers seeking elevated fashion, contemporary luxury, and international design across apparel, footwear, accessories, and lifestyle categories.

FY26 Performance & Scale

FY26 was another year of sustainable and profitable growth, driven by sharper brand curation, improved merchandise productivity, and continued momentum across key mono-brand formats. The business further expanded its footprint by adding 8 new stores, taking the network to 49 stores across the country and strengthening its presence in premium consumption markets. The brand continues to invest in every aspect of the consumer journey—from discovery and styling assistance to personalized service and long-term relationship management. This customer-centric approach, combined with a curated brand portfolio and omnichannel capabilities, has helped reinforce loyalty and deepen engagement within the high-value segment.

Strategic investments in novelty-led fashion, womenswear, and accessories helped broaden the consumer proposition and unlock new growth opportunities. These initiatives, coupled with a continued focus on premiumization and differentiated product offerings, enhanced the brand's relevance among both existing and new consumers.

Priorities Ahead

Going forward, The Collective and the mono-brand portfolio will prioritise driving stronger like-to-like growth through sharper brand curation, improved merchandise productivity, higher store throughput and deeper customer engagement. The business will continue to strengthen its proposition across womenswear, accessories and novelty-led fashion, while enhancing omnichannel capabilities and delivering more personalised, high-touch consumer experiences. The format will build scale through retail expansion, differentiated category play and enhanced brand assortments.

GALERIES LAFAYETTE

1ST GALERIES LAFAYETTE STORE IN INDIA (MUMBAI)

Positioning & Proposition

The launch of Galeries Lafayette in Mumbai in November 2025 has added a significant new growth platform to the portfolio, introducing a globally renowned luxury department store format to the Indian market.

FY26 Performance & Scale

Early consumer response has been encouraging, supported by curated in-store experiences, exclusive brand collaborations, and strong engagement from premium luxury consumers. During the year, the focus remained on building awareness, increasing footfalls, and establishing Galeries Lafayette as a differentiated destination for luxury fashion and lifestyle. Efforts were directed towards strengthening the brand portfolio through the addition of new and exclusive international brands, creating immersive retail storytelling, and hosting curated events and collaborations that enhanced customer engagement and discovery. These initiatives have helped drive consumer interest, improve walk-ins, and build relevance amongst India's growing luxury customer base.

Priorities Ahead

Going forward, the emphasis will remain on enriching the brand mix, elevating experiential retail, deepening partnerships with global luxury brands, and creating distinctive customer experiences that reinforce Galeries Lafayette's positioning as a premier luxury shopping destination in India.

1ST GALERIES LAFAYETTE STORE IN INDIA (MUMBAI)

TMRW: A PORTFOLIO OF DIGITAL-FIRST BRANDS

Positioning & Proposition

TMRW continues to build its leadership as a new-age, digital-first fashion platform; strategically aligned with the structural growth opportunity in India's online fashion and D2C ecosystem. The Indian online fashion market is expected to witness strong double-digit growth over the coming years, driven by increasing smartphone penetration, rising internet adoption across Tier 2+ markets, creator-led commerce, social discovery, hyper-personalised customer experiences and growing consumer preference for digital-first brands. The expanding scale of online fashion, coupled with rising year-round demand from non-metro consumers, provides a significant runway for growth for TMRW's portfolio of brands.

FY26 Performance & Scale

During the year, TMRW delivered strong growth across its portfolio, with revenue increasing by 34% year-on-year, driven by focused investments in product innovation, category expansion, customer acquisition and brand building.

While digital channels remain the primary growth engine, offline expansion accelerated during the year with the addition of over 60 stores, taking the network to nearly 120 stores.

Urbano and Nobero are strong examples of our ability to identify and scale digital-first brands. Both were acquired at relatively modest net revenue bases of approximately ₹10 crore and have since grown manifold through focused brand building, sharper execution, and the strength of the platform's capabilities. Today, Nobero has scaled to more than ₹200 crore in revenue, while Urbano has crossed ₹115 crore, demonstrating our ability to transform emerging brands into sizeable and sustainable growth businesses.

Strategic Progress

The platform continued to execute on its premiumisation strategy through the introduction of new collections and extensions across athleisure, travel wear, casualwear, winterwear, women's wear and non-apparel categories. These initiatives not only broadened consumer relevance and increased wallet share but also contributed to higher average selling prices and improved unit economics.

The business also made meaningful progress in strengthening its omni-channel presence. The growing physical footprint enhances brand visibility, improves customer engagement, expands access to newer markets and supports a more integrated omni-channel shopping experience.

During the year, TMRW secured a strategic equity investment of approximately ₹437 crore from ServiceNow Ventures, marking an important milestone in the platform's growth journey. Beyond providing growth capital, the partnership brings together TMRW's digital-first brand-building capabilities and ServiceNow's AI and automation expertise. TMRW plans to leverage these capabilities to deepen consumer insights, accelerate speed-to-market, sharpen assortment planning and deliver more seamless experiences across digital and physical channels. The investment reinforces confidence in TMRW's technology-led operating model and will support the next phase of scalable and profitable growth across its portfolio.

Priorities Ahead

Looking ahead, TMRW remains focused on scaling its portfolio through a combination of premiumisation, category adjacencies and deeper consumer engagement. The platform will continue to invest in high-margin growth opportunities, increase the contribution of owned channels including D2C platforms and Exclusive Brand Outlets (EBOs), and leverage data-driven consumer insights to improve customer retention and lifetime value. With a diversified portfolio of emerging brands, expanding omni-channel reach and a large addressable market opportunity, TMRW is well positioned to drive sustainable growth and create long-term value.

Brand	Market Positioning	Net Revenue (₹Cr)	Growth (vs LY)	Stores (as of Mar 2026)
Nobero	Millennial-focused D2C fashleisure™ brand	200+	52%	7
Urbano	Denim-led lifestyle brand	115+	53%	–
Vierdo & Juneberry	Gen Z-focused casual-wear brand	50+	0%	–
Bewakoof	Casual & expressive wear brand	240+	41%	36
TIGC	Mass-premium men's/ women's casual wear	230+	15%	17
Wrogn	Celebrity-led aspirational fashion brand	210+	17%	60

Strategic Priorities

BEWAKOOF

Creating India's Most Diversified Fashion House

Your Company has evolved beyond a traditional apparel company into a portfolio of differentiated fashion businesses spanning Value & Masstige, Ethnic Wear, Digital-First Brands and Luxury. This portfolio approach enables the Company to participate across multiple consumer cohorts, occasions, price points and growth vectors, creating a balanced and resilient growth engine.

Each platform is aligned with a distinct structural opportunity within India's fashion market. While Value & Masstige brands continue to address the country's largest apparel consumption pools, Ethnic Wear is benefiting from increasing formalisation, Luxury is capturing rising affluence and premiumisation, and TMRW is building relevance among digitally native consumers and riding the rapid digital consumption wave. Together, these businesses position the Company to participate in some of the fastest-growing segments of Indian fashion & lifestyle space.

Winning the Premiumisation Opportunity

As Indian consumers increasingly seek higher-quality, differentiated products and aspirational brands, premiumisation is emerging as a powerful driver of value creation in the fashion industry. Across categories, consumers are progressively shifting towards branded offerings that deliver superior design, craftsmanship, quality and a distinctive shopping experience.

Your Company is well positioned to benefit from this structural shift through its portfolio spanning premium, bridge-to-luxury and luxury segments. Within luxury retail, The Collective and Galeries Lafayette provide access to a curated portfolio of leading global brands and cater to the evolving preferences of affluent Indian consumers. Complementing this, the Company's designer portfolio includes some of India's most celebrated fashion houses, such as Sabyasachi, Tarun Tahiliani, House of Masaba, and Shantnu & Nikhil, with offerings across couture, bridal wear, occasion wear, ready-to-wear, jewellery, accessories and beauty.

Together, the luxury retail and designer businesses offer significant long-term growth potential, supported by rising affluence, increasing global exposure and a growing appetite for premium experiences. By strengthening brand desirability, expanding selectively across markets and categories, enhancing digital engagement and elevating the overall consumer experience, the Company aims to capture a greater share of premium discretionary spending while improving margins and building enduring brand equity.

Building an Omni-Channel Fashion Ecosystem

The future of fashion retail lies in seamlessly integrating physical and digital channels to meet consumers wherever they choose to shop. Your Company continues to strengthen its omnichannel ecosystem across businesses, including Pantaloons, its portfolio of TMRW brands, and its Luxury businesses, through a combination of exclusive brand outlets, large-format retail partnerships, digital marketplaces and direct-to-consumer platforms.

The Company remains focused on expanding both reach and accessibility across India, supported by an increasing physical footprint and growing digital engagement. This integrated approach not only enhances consumer convenience and brand visibility but also strengthens customer acquisition, retention and lifetime value across the portfolio.

Scaling the Next Generation of Fashion Businesses

OWND and TMRW are emerging as important growth platforms for the Company. OWND is a retail-led format focused on Gen Z consumers, offering trend-driven fashion, an elevated in-store experience, and a differentiated brand proposition. TMRW, on the other hand, is a digital-first platform focused on building and scaling contemporary fashion brands through technology, data-driven execution, and omnichannel capabilities. Together, these platforms strengthen your Company's presence across fast-growing consumer segments and are expected to become meaningful contributors to its long-term growth.

Enhancing Business Profitability

The Company remains focused on accelerating the path to profitability across its emerging growth and turnaround businesses, including W, OWND, TASVA and Jaypore. Key priorities include improving like-to-like growth through better retail execution, sharper merchandise planning, stronger consumer engagement and enhanced product proposition, while driving operating leverage through scale. Continued focus on inventory productivity, sourcing efficiencies, omnichannel expansion and tighter control over discretionary costs is expected to further reduce losses and strengthen the long-term earnings profile of these businesses.

Building a Technology-Led Fashion Enterprise

Technology is increasingly becoming a key differentiator in fashion retail, influencing how products are designed, sourced, marketed and sold. Your Company continues to invest in digital capabilities, advanced analytics and artificial intelligence to enhance decision-making, improve consumer experiences and drive operational excellence across its businesses. At Pantaloons, these investments are strengthening merchandise planning, demand forecasting and retail operations, while across the portfolio of TMRW brands, technology is enabling more personalised consumer engagement, data-driven marketing and customer acquisition.

From personalised consumer engagement and demand forecasting to inventory optimisation, supply chain efficiency and smarter retail operations, technology is helping the Company become more agile, responsive and scalable across its portfolio. As the Company continues to expand its businesses, technology will remain a critical enabler of sustainable growth, operational excellence and long-term competitive advantage.

Overall outcome: Delivering Profitable Growth and Sustainable Value Creation

The combined impact of these strategic initiatives is expected to translate into stronger profitability, improved capital efficiency and enhanced cash generation across the portfolio. As businesses scale, store productivity improves and operating leverage strengthens, the Company expects to unlock greater efficiencies across sourcing, supply chain, retail operations and shared platforms.

Together with disciplined capital allocation and a continued focus on execution, these initiatives are aimed at building businesses that are not only larger, but also more resilient, efficient and structurally profitable. This is expected to support sustainable growth, stronger returns and enduring value creation for shareholders.

Building a Technology-First and AI-Ready Ecosystem

Over the past few years, your Company has undertaken a comprehensive technology transformation journey to build a scalable, integrated and future-ready digital foundation for the business. During FY26, the Company completed several key initiatives across enterprise platforms, retail systems, omni-channel commerce, inventory visibility, workflow automation and cloud infrastructure, creating a modern technology architecture that supports its diversified portfolio spanning Value & Masstige, Ethnic Wear, TMRW and Luxury businesses.

Adopting Digital-First Initiatives

With the core technology backbone now largely in place, your Company is increasingly focused on leveraging digital capabilities to drive business growth, enhance consumer experiences and improve operating efficiency. Across product development and merchandising, data, analytics and AI-led capabilities are enabling sharper trend sensing, demand forecasting, assortment planning and faster product lifecycle management.

These capabilities support improved speed-to-market, greater product relevance and more informed decision-making across brands and categories.

Responsive Supply Chains and Inventory Efficiency

Your Company continues to enhance its supply chain and planning capabilities through real-time inventory visibility, intelligent allocation, automated replenishment and RFID-enabled operations across its retail formats, improving inventory productivity, responsiveness and execution efficiency. These initiatives are helping improve product availability, optimise inventory productivity, reduce markdowns and create a more responsive supply chain capable of serving consumers seamlessly across physical and digital channels.

Enabling Omnichannel Retail Execution Playbook

Technology is also playing an increasingly important role in enhancing store operations and strengthening omnichannel execution. Advanced analytics, omni-enabled fulfilment capabilities, assisted selling tools and digital retail solutions are improving store productivity, optimising inventory availability and enabling a more seamless shopping experience across physical and digital channels. As your Company continues to expand its retail network and digital presence, technology remains a critical enabler of an integrated, agile and customer-centric omnichannel ecosystem.

Deepening Direct-To-Consumer Ecosystem

Consumer engagement remains at the centre of your Company's digital strategy. The Company continues to strengthen its direct-to-consumer ecosystem through investments in brand websites, mobile applications, marketplace integrations, loyalty platforms and customer relationship management capabilities. By building a more unified view of consumers across stores, websites, apps and marketplaces, the Company is enhancing personalisation, improving customer journeys and enabling more meaningful engagement across touchpoints.

Establishing AI and Automation Capabilities

Artificial intelligence and automation are expected to play an increasingly important role in the next phase of your Company's transformation journey. The Company is leveraging AI-driven insights, workflow automation and advanced analytics to improve decision-making, simplify processes and enhance productivity across functions. As these capabilities mature, they are expected to unlock new opportunities for efficiency, consumer engagement and business growth.

Outlook

Looking ahead, your Company's focus will be on maximising the value of its technology investments by driving greater agility, scalability and consumer centricity across the enterprise. By combining strong digital capabilities with its portfolio of leading brands, extensive retail network and growing omni-channel presence, the Company is building a technology-enabled fashion ecosystem designed to support sustainable growth and long-term value creation.

Human Resource: Sustaining a Future-Ready Organization

Human Resource: Sustaining a Future-Ready Organization

As your Company enters its next phase of growth, it remains focused on building an agile, high-performing and future-ready organisation capable of winning in a dynamic marketplace. Following the successful stabilisation of the post-demerger operating model, the focus is now on enhancing organisational effectiveness, accelerating decision-making and strengthening collaboration across businesses to drive greater speed, productivity and execution excellence.

Leveraging Portfolio Synergies

Your Company continues to unlock the benefits of its diversified portfolio by fostering greater collaboration across brands, formats and functions. Through shared capabilities, knowledge exchange and talent mobility, the Company aims to leverage the strength of its collective ecosystem while preserving the entrepreneurial focus of individual businesses. This approach is expected to create operational efficiencies, accelerate innovation and support sustainable value creation.

Building Leadership and Functional Capabilities

A strong leadership pipeline remains central to the Company's long-term success. During the year, your Company continued to invest in leadership development, succession planning and capability building to ensure that the organisation is equipped to navigate future opportunities and challenges. The Company remains committed to nurturing internal talent while selectively bringing in external expertise to strengthen critical capabilities and support future growth ambitions.

Transformation Backed by Digital and AI

Digital enablement is increasingly becoming a key driver of organisational effectiveness. Building on the technology transformation undertaken over the past few years, your Company is embedding digital capabilities, data-driven decision-making, automation and AI-led tools across business processes. These initiatives are aimed at improving productivity, simplifying workflows, enhancing customer engagement and enabling more agile and informed decision-making across the enterprise.

Designing a People-First Culture

The Company also remains focused on building a strong talent pipeline and developing world-class functional capabilities across retail, merchandising, design, supply chain, marketing, digital and corporate functions. Through structured learning interventions, leadership development programmes and enhanced career mobility opportunities, the Company is creating an environment that supports continuous growth and prepares employees for evolving business needs.

Fostering Capability-Led Growth

Performance excellence continues to be a core element of your Company's culture. The Company is focused on strengthening accountability, reinforcing meritocracy and fostering a culture of disciplined execution. By aligning goals, performance expectations and development opportunities, the Company seeks to create a high-performance organisation that consistently delivers superior outcomes for customers, shareholders and other stakeholders.

Enhancing Employee Value Proposition

As competition for talent intensifies, your Company is committed to strengthening its position as an employer of choice. The Company continues to invest in enhancing the employee value proposition, creating meaningful career opportunities, strengthening leadership visibility and fostering an inclusive and engaging workplace culture. These efforts are aimed at attracting, developing and retaining high-quality talent across the organisation.

Outlook

At the same time, your Company is leveraging digital platforms, analytics and automation to deliver a more seamless employee experience. By simplifying processes, improving access to information and enabling data-driven people decisions, the Company is enhancing productivity, strengthening governance and creating a more connected and responsive workplace for its employees.

Sustainability: Transforming with Purpose

NOBERO

Sustainability: Transforming with Purpose

At ABFRL, sustainability has been an integral part of the way we do business since our inception, guided by the Aditya Birla Group's core values and principles. As a consumer-centric organisation and a leader in the fashion and lifestyle industry, your company recognise that meeting evolving customer expectations goes beyond quality and style—it also requires creating products with lower environmental and social impact.

We believe that long-term economic growth can only be achieved when it is balanced with the well-being of people and the planet. With this conviction, we launched our structured sustainability programme, 'ReEarth for our Tomorrow', in 2013. Built around ten key focus areas—Energy, Carbon Footprint, Green Buildings, Water, Waste, WASH Pledge, Safety, CSR, Packaging, and Sustainable Products. Your company's programme established clear targets, accountability, and timelines to drive measurable progress. ReEarth is more than a sustainability initiative; it is our commitment to giving back more to the ecosystem than we take from it.

Having achieved significant milestones under the first phase of ReEarth, we introduced ReEarth 2.0 in 2021. This marked a strategic shift from a process-led approach to a product-led sustainability framework. With a strong focus on sustainable product design and development, consumer-centric innovation, and responsible supply chains, ReEarth 2.0 aligns sustainability more closely with our core business strategy and growth aspirations.

Our sustainability journey is supported by a robust governance framework that extends well beyond regulatory compliance. Sustainability performance and strategic priorities are regularly reviewed by the Management Committee, while the Risk Management and Sustainability Committee (RMSC) oversees sustainability-related risks, opportunities, and initiatives, ensuring a structured and comprehensive approach to sustainability and enterprise risk management.

We aim to minimise environmental impact across the value chain while reducing dependence on fossil fuel-based resources. During the year, we continued to strengthen our environmental stewardship. Our progress spans multiple sustainability dimensions, with 22% of water recycled within our facilities and installed 550 KWp roof top solar capacity. In occupational health and safety, we achieved zero fatalities and conducted 90,801man hours of safety training, reinforcing our commitment to a safe and healthy workplace. In product stewardship, 99.8% of our packaging portfolio was sustainable, while 95% of garments carried at least one sustainability attribute, reflecting our efforts to integrate sustainability into the products our customers choose every day.

We also actively collaborate with leading national and global sustainability platforms, industry bodies, and ESG benchmarks as these partnerships enable us to stay aligned with emerging sustainability trends, regulatory developments, and global best practices while contributing meaningfully to the broader sustainability agenda. Through these collaborations, we continue to enhance our capabilities, drive innovation, and create long-term value for all stakeholders.

Transition Towards Sustainability 3.0

Sustainability is evolving from a compliance and operational priority into a key driver of business growth, resilience, and long-term value creation. Aligned with the Aditya Birla Group's vision, the Company is advancing towards Sustainability 3.0, a transformation-focused approach that integrates sustainability deeper into strategy, innovation, products, and stakeholder engagement.

Your company's sustainability journey has progressed through distinct phases. Sustainability 1.0 established the foundations through stronger compliance, environmental management, resource efficiency, and awareness-building, establishing the regulatory, operational, and cultural prerequisites for sustainable enterprise management. Sustainability 2.0 focused on scaling impact through robust ESG governance, renewable energy adoption, responsible sourcing, enhanced disclosures, and greater operational accountability. Integrating sustainability across operations and scaling impact. The focus shifted from a process-led approach to a product-led.

Building on this progress, Sustainability 3.0 marks the next phase of transformation. As consumer expectations, climate imperatives, and regulatory requirements continue to evolve, the Company is embedding sustainability more deeply into business decision-making and brand ecosystems to create lasting value for stakeholders.

The transition has been enabled by significant strides in governance, renewable energy adoption, responsible sourcing, safety performance, ESG disclosures, stakeholder engagement, and operational excellence. These advancements have strengthened organisational readiness to accelerate sustainability-led growth.

Your company's Sustainability 3.0 framework is anchored on five strategic pillars:

- **Sustainable Brands** – Integrating sustainability into brand purpose, consumer engagement, circular business models, and brand performance.
- **Product Stewardship** – Promoting sustainable raw materials, responsible sourcing, circularity, supply-chain sustainability, and product transparency.
- **Net Zero & Decarbonisation** – Advancing science-aligned climate action and emissions reduction across operations and the value chain.
- **Health, Safety & Well-being** – Fostering a zero-harm culture through enhanced safety systems, workforce capability development, and inclusive workplaces.
- **Social Impact** – Driving inclusive growth through focused interventions in education, health and sanitation, sustainable livelihoods, water stewardship, digitalisation, and employee volunteering.

Through this integrated approach, your Company aims to create measurable environmental and social value while strengthening competitiveness, resilience, and long-term stakeholder trust.

RISK MANAGEMENT

Your Company recognizes the importance of a robust governance structure and effective risk management in ensuring sustained performance and growth. An integrated approach has been adopted, combining the COSO framework with the Task Force on Climate-related Financial Disclosures (TCFD), to strike a balance between financial, social, and environmental priorities. This approach aligns risk management with performance and strategy, delivering long-term value to stakeholders. To oversee the identified risks and mitigation plans, a dedicated Risk Management and Sustainability Committee (RMSC) has been established. The committee, supported by the Chief Risk Officer, Head of Sustainability, and Risk Management Committees, continuously monitors and evaluates risks from strategic, operational, financial, environmental, and compliance perspectives. Internal and external business environments are carefully monitored to identify potential risks and opportunities. Periodic assessments by the established committees and internal functions ensure ongoing evaluation of risks. Mitigation plans are implemented to manage key risks and minimize residual risks, safeguarding the company's interests. This proactive risk management approach provides the foundation for effective decision-making and resilience in the face of evolving challenges.

Risks

1. Macro-economic environment

Global economic uncertainty, inflationary pressures, elevated household indebtedness and fluctuations in consumer sentiment may impact discretionary spending. Prolonged demand softness could affect sales growth, profitability and inventory productivity.

Your Company seeks to mitigate this risk through presence in multiple consumer segments, categories and price points, supported by disciplined cost management and agile business planning. The Company continues to strengthen inventory management, working capital efficiency, sourcing flexibility and channel mix optimisation, enabling it to respond effectively to changing market conditions while supporting sustainable long-term growth.

2. Adapting to Evolving Consumer Behaviour

Rapidly changing consumer preferences, evolving lifestyles and increasing digital influence continue to reshape fashion consumption patterns. Failure to anticipate these shifts could impact product relevance, customer engagement and market share.

Your Company continuously invests in consumer insights, product innovation, category expansion and digital capabilities to remain relevant across diverse consumer segments and occasions. The Company focuses on delivering a compelling value proposition through differentiated products, enhanced customer experiences and a balanced portfolio that caters to evolving consumer needs.

3 Information Security and Cyber Resilience

The increasing use of digital platforms, interconnected systems and consumer data heightens exposure to cybersecurity threats, data breaches and operational disruptions. Any significant incident could impact business continuity, stakeholder trust and brand reputation.

Your Company maintains a comprehensive cybersecurity and resilience framework supported by robust security controls, continuous monitoring, disaster recovery and business continuity processes. The Company also undertakes regular employee awareness programmes, vulnerability assessments and governance reviews to strengthen cyber preparedness and safeguard critical information assets.

4. Retail Expansion and Occupancy Costs

Increasing competition for premium retail locations may constrain access to high-quality spaces and result in higher occupancy costs. This could affect expansion plans, store economics and profitability.

Your Company leverages its strong market presence and long-standing relationships with developers and landlords to secure strategic retail locations. The Company also focuses on improving store productivity, optimising space utilisation and enhancing the in-store experience to maximise returns on its retail investments.

5. Talent Attraction, Retention and Capability Development

As the company scales across multiple verticals—design, retail, marketing, e-commerce, and more—there is an increasing need for skilled talent. In India's competitive fashion retail sector, attracting and retaining top professionals is a key challenge. Your Company continues to invest in leadership development, succession planning, capability building and employee engagement initiatives. The Company focuses on creating a strong employee value proposition, fostering internal mobility and building a high-performance culture to attract and retain talent across its businesses. Being part of the Aditya Birla Group further strengthens the Company's talent advantage, providing access to a diverse and experienced talent pool in the consumer segment.

6. Competitive Intensity

TThe Indian fashion and lifestyle market remains highly competitive, with the presence of organized and unorganized domestic players, international brands, digital-first businesses and emerging direct-to-consumer brands. Increased competition may lead to pricing pressures, higher customer acquisition costs and potential market share erosion. Your Company focuses on strengthening brand equity, enhancing product innovation, expanding consumer reach and delivering differentiated experiences across channels. Its diversified portfolio, omni-channel presence and deep consumer understanding help maintain competitiveness and support long-term growth

7. Technology, Digital and AI Adoption

TThe increasing reliance on digital platforms, automation, analytics and artificial intelligence presents risks relating to technology obsolescence, integration complexity, implementation challenges and evolving regulatory expectations. Failure to effectively adopt emerging technologies may impact operational efficiency and competitiveness.

Your Company adopts a disciplined approach to technology transformation, focusing on scalable platforms, phased implementation and strong governance. The Company continues to invest in digital capabilities, data quality, process integration and responsible AI adoption, ensuring that technology enhances business agility, productivity, decision-making and customer engagement while maintaining appropriate oversight and controls.

8. Execution and Transformation Risk

Your Company's growth strategy involves scaling multiple businesses, expanding its retail footprint, strengthening omni-channel capabilities, integrating new platforms and driving operational transformation across the organisation. Delays in execution, ineffective implementation of strategic initiatives or an inability to realise expected benefits may impact growth, profitability and return on investment. Your Company mitigates this risk through a disciplined execution framework supported by clear governance structures, defined accountability, regular performance reviews and robust project management practices. The Company continues to strengthen organisational capabilities, leadership depth and cross-functional collaboration to ensure effective execution of strategic priorities while maintaining operational agility in a dynamic business environment.

Road Ahead

Your Company enters its next phase of growth with a stronger strategic focus, a diversified portfolio of businesses, and a clear ambition to build one of India's most admired fashion and lifestyle companies. This next phase of growth will be anchored by a set of 4 focus pillars that will shape its trajectory.

1. From Portfolio creation to business build out

Over the past few years, the Company has laid the foundations for future growth through portfolio expansion, capability building, technology transformation and the creation of multiple growth platforms. The focus now shifts towards unlocking the full potential of these investments through disciplined execution, profitable growth and sustained value creation.

2. Keeping Consumers at the core and serving them more comprehensively

The consumer will remain at the centre of your Company's growth agenda. Fashion consumers today expect greater choice, convenience, personalisation and seamless experiences across channels. The Company's strategy is therefore anchored around serving consumers across multiple occasions, lifestyles and price points through a portfolio of differentiated brands and formats. By strengthening its omni-channel ecosystem across stores, brand websites, marketplaces, mobile applications and emerging commerce channels, the company aims to create a connected and frictionless experience that allows consumers to engage with its brands wherever and however they choose.

3. Clear Pursuit of Profitable growth as the portfolio creation gets over

A key priority over the coming years will be to strengthen the quality of growth across the portfolio. While continuing to pursue attractive growth opportunities across Value & Masstige, Ethnic Wear, TMRW and Luxury, the Company will remain equally focused on improving profitability, enhancing capital productivity and strengthening cash generation. The objective is to progressively build businesses that are not only larger in scale but also structurally stronger, with a clear pathway towards positive cash EBITDA, sustainable free cash flow generation and superior returns on capital over time.

4. Seizing Opportunities: Innovation & Expansion

The company will remain disciplined in capital allocation, prioritising opportunities that strengthen competitive advantage, improve profitability and create sustainable long-term value. Growth will be pursued with a clear focus on scalability, strategic fit and returns.

Looking ahead, your Company's success will be defined not only by the scale of its portfolio but by the strength of its execution and its ability to generate sustainable returns on investments. Supported by strong brands, a growing omni-channel distribution, technology-enabled capabilities and strength of its People, the Company is well positioned to deliver its next phase of growth along with driving sustainable value creation.

1. Financial Performance and Analysis

(Amount in ₹ Crore)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025
Continuing Operations				
Revenue from Operations	5,906	5,609	8,177	7,355
EBITDA [(1)]	945	958	967	854
Finance Costs	334	447	516	567
Depreciation	1,041	924	1,339	1,166
Profit/ (Loss) Before Tax [(1)]	(429)	(413)	(888)	(880)
Current Tax	-	-	41	33
Deferred Tax Charge/(Credit)	(108)	(109)	(139)	(127)
Net Profit/ (Loss) After Tax [(1)]	(322)	(304)	(790)	(785)

STANDALONE PERFORMANCE

(Amount in ₹ Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Working Capital [(2)] (A)	2,420	2,925
Net Fixed Assets (including Capital work-in-progress) (B)	2,190	2,170
Deferred Tax Asset (C)	208	104
Capital Employed (D = A + B + C)	4,818	5,199
Investments [(3)] (E)	2,399	2,327
Right-of-use assets (F)	2,674	2,175
Goodwill [(4)] (G)	1,995	1,995
Total Capital Employed (H = D + E + F + G)	11,886	11,695
Net Worth	7,970	8,298
Debt	748	758
Lease Liability	3,168	2,639

Notes:

(1) Includes other income of ₹ 216 Crore (Previous year: ₹ 198 Crore) in standalone Financial Statements and ₹ 310 Crore (Previous year: ₹ 196 Crore) in consolidated Financial Statements and excludes exceptional items in both.

(2) Net working Capital

(Amount ₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Inventory	1,932	1,776
Trade Receivables	167	148
Cash and Bank Balances	48	734
Other Assets	3,093	2,853
Less: Trade Payables	1,849	1,729
Less: Supplier's Credit	132	110
Less: Other Liabilities	839	747
Net Working Capital	**2,420**	**2,925**

(3) Investments includes ₹ 2,367 Crore towards investments in Subsidiaries and Joint Venture (Previous year: ₹ 2,302 Crore).

(4) As on March 31, 2026, goodwill (after testing for impairment in accordance with the Ind AS - 36 issued by the Institute of Chartered Accountants of India) stands at ₹ 1,995 Crore.

Revenue

During the financial year, your Company reported revenue of ₹ 5,906 Crore (previous year ₹ 5,609 Crore), recording a growth of 5% over the previous year.

Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")

The EBITDA of the Company is ₹ 945 Crore (previous year ₹ 958 Crore). The EBITDA margin for the Company has slightly decreased from 17.08% to 16.01% during the year.

Finance cost

The average borrowing cost for the Company decreased to 7.49 % as compared to 7.55% in the previous year. The finance cost of the Company is ₹ 334 Crore (previous year ₹ 447 Crore), significant decline on account of repayment of borrowing towards end of the previous year leading to reduction in weighted average borrowings for the year under review.

Dividend

In view of accumulated losses, your directors have not recommended payment of any dividend for the year under review.

Borrowings

Borrowings have decreased from ₹ 758 Crore in the previous year to ₹ 748 Crore. The Company has raised ₹ 258 Crore through fresh borrowings and has repaid borrowings of ₹ 268 Crore during the year.

Credit Ratings

The details of credit rating as on March 31, 2026 are disclosed in the 'General Shareholder Information' forming part of this Integrated Annual Report.

Non-Convertible Debentures ("NCDs")

The details of outstanding NCDs as on March 31, 2026 are disclosed in the 'General Shareholder Information' forming part of this Integrated Annual Report.

There was no issuance or redemption of NCDs during the year.

Standalone Key financial ratios

Particulars	As at March 31, 2026	As at March 31, 2025
Debtors Turnover Ratio (times)	37.50	22.63
Inventory Turnover Ratio (times)	3.19	4.62
Interest Coverage Ratio (times)	-5.42	0.51
Current Ratio (times)	1.89	2.19
Debt Equity Ratio (times)	NA*	NA*
EBITDA Margin (%)	16.01	17.08
Operating Profit Margin (%)	-2.12	4.90
Net Profit Margin (%)	-5.95	-0.96
Return on Net Worth	-4.32	-1.83
Return on Average Capital Employed (%)	-0.81	5.80

**Compaby has excess liquid Investment and cash over its debt.*

Note: For the purpose of calculating ratios for the periods upto March 31, 2025, all relevant amounts pertaining to continuing and discontinued operations have been considered.

Details of significant changes (i.e., change of 25% or more as compared to the immediate previous financial year) in the key financial ratios:

There is a change of 25% or more in Debtors turnover, Inventory turnover, Interest Coverage ratio, Operating margin, Net Profit margin, Return on Net Worth and Return on Average Capital Employed as compared to the immediate previous financial year.

The detailed explanation for change of 25% or more as compared to the immediately previous financial year in the key financial ratios is as stated in Note no. 53 of the Standalone Financial Statements.

CONSOLIDATED PERFORMANCE

At consolidated level, your Company reported a revenue of ₹ 8,177 Crore (previous year ₹ 7,355 Crore) and EBITDA of ₹ 967 Crore with EBITDA margin at 11.82% (previous year ₹ 854 Crore with EBITDA margin at 11.62%).

2. SHARE CAPITAL

Equity share capital	₹ in Crore
At the beginning of the year, i.e., as on April 1, 2025	1,220.26
Changes during the year:	
Increase during the year on account of ESOP allotment	0.28
At the end of the year, i.e., as on March 31, 2026	1,220.54

Preference share capital*	₹ in Crore
At the beginning of the year, i.e., as on April 1, 2025	1.11
Change during the year:	
Pursuant to the Scheme of Arrangement among Company and Aditya Birla Lifestyle Brands Limited ("Resulting Company/ABLBL") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"). In terms of Clause 4.2.16 of the Scheme, 5,55,000 Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCNCRPS") stood cancelled in the Company upon the Scheme becoming effective, with an equivalent number of NCNCRPS being issued by ABLBL on identical terms and conditions. The reduction was effected as part of the Scheme and did not involve any payout or redemption of preference shares.	(0.56)
At the end of the year, i.e., as on March 31, 2026	0.56

**Redemption date March 27, 2029*

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Director retire by rotation

In accordance with the provisions of the Companies Act, 2013 ("Act") and the Articles of Association of the Company, Mr. Aryaman Vikram Birla (DIN:08456879) is due to retire by rotation at the ensuing 19th Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment.

Resolution seeking his re-appointment alongwith his profile as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings ("SS -2") issued by The Institute of Company Secretaries of India ("ICSI"), forms part of the Notice of the Annual General Meeting.

b) Re-appointment of Directors

During the year under review Board of Directors have re-appointed the following Directors:

Name of Director	Tenure	Designation
Mr. Arun Kumar Adhikari *(DIN: 00591057)*	w.e.f. May 19, 2026 until January 19, 2029	Re-appointed as Independent Director
Ms. Preeti Vyas *(DIN: 02352395)*	w.e.f. March 31, 2026 until March 30, 2031	
Mr. Yogesh Chaudhary *(DIN: 01040036)*	w.e.f. March 17, 2026 until March 16, 2031	
Mr. Nish Bhutani *(DIN 03035271)*	w.e.f. June 5, 2025 until June 4, 2030	

c) Cessation of Directors

Name of Director	Effective Date	Cessation
Mr. Vishak Kumar *(DIN: 09078653)*	May 1, 2025	Consequent to effectiveness of the scheme of arrangement between the Company and Aditya Birla Lifestyle Brands Limited ("ABLBL"), Mr. Vishak Kumar, Whole-time Director ("WTD") who was an employee of the Company has been transferred to ABLBL and accordingly, his position as WTD stands relinquished in the Company from closure of business hours of April 30, 2025.
Mr. Vikram Rao *(DIN: 00017423)*	September 9, 2025	Ceased to be an Independent Director of the Company (In order to pursue new opportunities and commitments within his vocational focus on business and leadership coaching)
Mr. Pankaj Sood *(DIN: 05185378)*	April 2, 2026	Ceased to be the Non-Executive (Nominee) Director of the Company (Due to increase in his professional responsibilities and commitments, requiring significantly more time.)

The Board placed on record its sincere appreciation for the valuable contribution and services rendered by the Directors during their tenure with the Company.

d) Key Managerial Personnel

In accordance with the provisions of Section 203 of the Companies Act, 2013, following are the Key Managerial Personnel of the Company:

Sr. No	Name	Designation
1.	Mr. Ashish Dikshit	Managing Director
2.	Ms. Sangeeta Tanwani	Whole-time Director
3.	Mr. Vishak Kumar	Whole-time Director (up to April 30, 2025)
4.	Mr. Jagdish Bajaj	Chief Financial Officer
5.	Mr. Anil Malik	Company Secretary and Compliance Officer (up to November 30, 2025)
6.	Mr. Rajeev Agrawal	Company Secretary and Compliance Officer (appointed w.e.f. December 1, 2025)

e) Nomination Policy and Executive Remuneration Policy/Philosophy

In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee ("NRC"), had adopted a Nomination Policy, which inter alia enumerates the Company's policy on appointment of directors, Key Managerial Personnel ("KMPs") and senior management. Further, the Board, on recommendation of NRC, had also adopted a policy entailing Executive Remuneration Philosophy, which covers remuneration philosophy covering the directors, KMPs, senior management and other employees of the Company.

Both the aforesaid policies, as amended from time to time pursuant to the amendments in the applicable regulatory provisions, are available on the website of the Company i.e. https://www.abfrl.com/corporate-governance/policies/

Salient features of the aforesaid policies are as under:

Nomination Policy

The Nomination Policy is enacted mainly to deal with the following matters, falling within the scope of the NRC to:

- institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed as KMPs and/or in senior management and recommend to the Board of Directors their appointment and removal from time to time;
- devise a policy on board diversity;
- review and implement the succession and development plans for managing director, executive directors and officers forming part of senior management;
- formulate the criteria for determining qualifications, positive attributes and independence of directors;
- establish evaluation criteria of Board, its committees and each director and
- recommend the Board, all remuneration, in whatever form, payable to senior management.

Executive Remuneration Policy/Philosophy

This Policy supports the design of programmes that align executive rewards - including incentive programmes, retirement benefit programmes, promotion and advancement opportunities - with the long-term success of the Stakeholders of the Company.

The executive remuneration program of the Company is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders and intends to:

- provide for monetary and non-monetary remuneration elements to our executives on a holistic basis and
- emphasize "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

f) Annual Evaluation

The Board undertook an annual evaluation of its own performance, the performance of individual Directors, and the effectiveness of its Committees in compliance with Act and SEBI Listing Regulations and the Nomination Policy of the Company, as amended from time to time. The evaluation of Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. Furthermore, the performance of the Chairman of the Board is assessed, taking into account the views expressed by the Executive Directors, Non-Executive Directors, and Independent Directors.

The evaluation process consisted of:

Board as a whole	The function of the Board as a whole is evaluated by all the Board Members including its experience, qualification, its structure, effectiveness, strategic guidance to management, long term interest, sustainability strategy and vision etc.
Individual Directors	The evaluation of Individual Director is done by Board members, excluding the Director who is being evaluated including the individual investing his/her time invested in Company, contribution, attendance, decision making, action-orientation, external knowledge etc.
Chairman	The evaluation of Chairman of the Company is done by Board members considering his invaluable leadership role and encouragement to Board members.
Committees	The evaluation of Committee is done by Board members considering their mandate, composition, decision-making support and contribution to the Board's functioning etc.

The Board at its meeting discussed the performance of the Board, as a whole, its Committees, Chairman and Individual Directors. The Board expressed satisfaction on the overall functioning of the Board and its Committees. The Board was also satisfied with the contribution of the Directors, in their respective capacities, which reflected the overall engagement of the Individual Directors.

Further, pursuant to the applicable provisions of the Act, the performance evaluation criteria for the Independent Directors is provided under the Corporate Governance Report forming part of this Integrated Annual Report.

g) Independent Director

The Company has received necessary declaration from each Independent Director of the Company stating that:

(i) they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations ("said declarations").

(ii) they have registered their names in the Independent Directors' Databank.

Based on the said declarations received from the Directors, the Board confirms, that the Independent Directors fulfill the conditions as specified under Schedule V of the SEBI Listing Regulations and are independent of the management.

h) Number of Board meetings

The Board met 5 (Five) times during the year under review. The details of such meetings are provided separately in the 'Corporate Governance Report' forming part of this Integrated Annual Report.

i) Committees of the Board

The Board has constituted five Statutory Committees, viz. Audit Committee, Corporate Social Responsibility Committee, Risk Management and Sustainability Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee and is authorised to constitute other functional Committees, from time to time, depending on business needs.

Details of all the Statutory Committees, along with their charters, composition and meetings held during the year, are provided separately in the Corporate Governance Report forming part of this Integrated Annual Report.

4. STRATEGIC INITIATIVES AND SIGNIFICANT DEVELOPMENT

Demerger of Madura Fashion & Lifestyle Business ("MFL Business")

The Board of Directors of the Company at its meeting held on April 19, 2024, subject to the necessary approvals, considered and approved demerger of Madura Lifestyle Fashion Business ("MFL Business") under a Scheme of Arrangement amongst the Company and Aditya Birla Lifestyle Brands Limited ("Resulting Company"), wholly owned subsidiary of the Company and their respective shareholders and creditors ("Demerger Scheme").The Demerger Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench (Hon'ble NCLT) on March 27, 2025. The Company received the certified true copy of the order on April 22, 2025. Consequent upon filing of the certified copies of Hon'ble NCLT orders by the Company and the Resulting Company with the respective jurisdictional Registrar of Companies on April 23, 2025, the Scheme has become effective from May 1, 2025. Upon the Scheme becoming effective, the MFL Business was transferred to the Resulting Company on a going concern basis.

Amalgamation of Jaypore E-Commerce Private Limited & TG Apparel & Décor Private Limited with the Company

The Board of Directors of the Company at its meeting held on February 5, 2026 approved the amalgamation of Jaypore E-Commerce Private Limited and TG Apparel & Decor Private Limited, wholly owned subsidiaries of the Company ("Transferor Companies"), with the Company. The said amalgamation is subject to the necessary statutory and regulatory approvals under applicable laws, including the approval of the Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT"). The Company and the Transferor Companies filed a Joint Company Application with the Hon'ble NCLT on February 25, 2026, and received the order on April 6, 2026. Post completion of the directions of the Hon'ble NCLT order, the Company and the Transferor Companies filed a joint petition with the Hon'ble Hon'ble NCLT on April 16, 2026.

5. PROCEEDS FROM QUALIFIED INSTITUTIONAL PLACEMENT AND PREFERENTIAL ISSUE

The details of utilization of funds as on March 31, 2026, raised through Qualified Institutional Placement and Preferenial Issue is mentioned hereunder:

₹ in Crore

Mode	Object	Amount allocated	Amount utilized
Qualified Institutional Placement	Prepayment and / or repayment, in full or in part, of all or a portion of certain of the outstanding borrowings (including interest thereon) availed for the Remaining Business of our Company	1,400.00	1,400.00
	General corporate purposes	428.66	428.66
Preferential Issue	Prepayment or repayment, in full or part, of all or a portion of certain of the outstanding borrowings availed by Demerged ABFRL as per their repayment schedule.	1,185.00	1,015.42
	Investment towards capex and opex across high growth businesses within proposed Demerged ABFRL in business segments of Value Retail (Pantaloons & Style Up), Ethnic (designer led & premium ethnic wear brands) and luxury retail (The Collective & Galeries Lafayette)	600.00	203.58
	General corporate purposes	593.75	593.75

During the year under review, there has been no deviation in the use of proceeds of the Qualified Institutional Placement & Preferential Issue ("aforesaid Issues") from the objects stated in the respective Offer documents as per Regulation 32 of SEBI Listing Regulations. The Company has been disclosing on a quarterly basis to the Audit Committee, the uses/ application of proceeds/funds raised from the aforesaid Issues and also filed with the Stock Exchanges on a quarterly basis, as applicable.

6. REMUNERATION OF DIRECTORS AND EMPLOYEES

Disclosure comprising particulars with respect to the remuneration of Directors and employees, as required to be disclosed in terms of the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure I** to this Report.

The Executive Remuneration Policy/Philosophy of the Company, as formulated by the NRC of the Board is available on the Company's website at https://www.abfrl.com/wp-content/uploads/2023/10/7.-EXECUTIVE-REMUNERATION-POLICY-.pdf.

The statement containing the particulars of top ten employees and particulars of employees as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including amendment thereto, forms part of this Report.

Further, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. In terms of the second proviso to Section 136(1) of the Act, any Member interested in obtaining the copy of the same may write to the Company Secretary & Compliance Officer at secretarial@abfrl.adityabirla.com.

7. EMPLOYEE STOCK OPTION SCHEME (ESOS), RESTRICTED STOCK UNITS (RSU), PERFORMANCE STOCK UNITS (PSU) AND STOCK APPRECIATION RIGHTS (SAR)

ESOS, RSUs & PSUs

Your Company regards employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come. Accordingly, in terms of the provisions of applicable laws and pursuant to the approval of the Board and the members of the Company, the Nomination and Remuneration Committee ("NRC") has duly implemented the:

a. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017")

b. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019")

c. Aditya Birla Fashion and Retail Limited -TCNS Division Employee Stock Option Scheme 2024 ("Scheme 2024")

d. Aditya Birla Fashion and Retail Limited - Employee Stock Option and Performance Stock Unit Scheme 2025 ("Scheme 2025")

to grant the stock options, in the form of Options, Restricted Stock Units ("RSUs"), and Performance Stock Unit ("PSUs") to the employees of the Company.

All the Schemes of the Company i.e. Scheme 2017, Scheme 2019 , Scheme 2024 and Scheme 2025 are governed by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations") and in terms of the approvals granted by the shareholders of the Company, the NRC inter alia administers, implements and monitors the aforesaid schemes, thereby governing the grant of share based benefits to its employees, in the form of employee stock options.

The details of Stock Options, RSUs and PSUs granted pursuant to schemes and the other disclosures in compliance with the provisions of the SEBI SBEB Regulations, are available on Company's website at https://www.abfrl.com/

A certificate from the Secretarial Auditor of the Company, confirming that the aforesaid schemes have been implemented in accordance with the SEBI SBEB & SE Regulations and will be open for inspection at the ensuing 19th Annual General Meeting.

SAR

Your Company has instituted Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019 ("SAR Scheme 2019") in the year 2019 and Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024 ("SAR Scheme 2024") in the year 2024.

The SAR Scheme 2019 and SAR Scheme 2024, do not give rise to any right towards any equity share of the Company and hence, they are not covered under the provisions of SEBI SBEB & SE Regulations. On exercise of the SARs granted under the said plan/scheme, the employee exercising the SARs becomes entitled to receive cash, in terms of the SAR Scheme 2019 and SAR Scheme 2024.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The audited financial statements of your Company for the year under review ("financial statements") are in conformity with the requirements of the Companies Act, 2013 read with the rules made thereunder ("Act") and the Indian Accounting Standards. The financial statements reflect the form and substance of transactions carried out during the year under review and present your Company's financial condition and results of operations, fairly and reasonably.

Your directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) accounting policies selected have been applied consistently and reasonable & prudent judgments and estimates were made, so as to give a true and fair view of the state of affairs of your Company as at the end of the year under review and the loss of your Company for the year under review;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts of your Company have been prepared on a 'going concern' basis;

e) adequate internal financial controls were laid down & followed by your Company and such internal financial controls were operating effectively and

f) proper systems have been devised by your Company to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively

9. AUDITORS AND AUDITOR REPORTS

Statutory Auditor

- Price Waterhouse & Co Chartered Accountants LLP (FRN: 304026E/E-300009) ("PW & Co."), was appointed as the Statutory Auditors of the Company at the 14th Annual General Meeting ("AGM"), for a term of 5 (five) consecutive years, till the conclusion of the 19th AGM.
- The Board of Directors based on the recommendation of the Audit Committee, at its meeting held on May 25, 2026 , has approved and recommended to the Shareholders at the ensuing 19th AGM of the Company, re-appointment of PW & Co. as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years, to hold office until the conclusion of the 24th AGM.
- PW & Co. has provided its eligibility certificate dated May 23, 2026 to act as the Statutory Auditors of the Company.
- Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the financial statements of the Company for financial year 2025-26, forms part of this Integrated Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their Report for the year under review.
- The notes to the financial statements are self-explanatory and do not call for any further comments.

Secretarial Auditor

- M/s BNP & Associates, Company Secretaries (Firm registration no: P2014MH037400), was appointed as Secretarial Auditor of the Company at 18th Annual General Meeting ("AGM"), for a term of 5 (five) consecutive years, till the conclusion of the 23rd AGM to be held in the year 2029.
- The Secretarial Audit Report for Financial year 2025-26 given by M/s BNP & Associates, Secretarial Auditor of the Company is annexed as **Annexure II** to this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in their Report for the year under review.

Cost Auditor

- During the year under review, your Company was not required to maintain cost records under Section 148(1) of the Act. Hence, the provisions related to appointment of Cost Auditor is not applicable on the Company.

10. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT, 2013

Except for one instance of fraud reported by the Statutory Auditors to the Central Government under Section 143(12) of the Companies Act, 2013, no other instances of fraud were reported by the Statutory Auditors.

11. ACCOUNTING TREATMENT

The Accounting Treatment is in line with the applicable Indian Accounting Standards (Ind-AS) recommended by The Institute of Chartered Accountants of India ("ICAI") and prescribed by the Central Government, as may be amended from time to time.

12. SUBSIDIARIES, JOINT VENTURES, ASSOCIATE COMPANIES

During the year under review, Goodview Fashion Private Limited, a subsidiary of the Company, approved the incorporation of its wholly owned subsidiary namely Tarun Tahiliani Fashions Trading L.L.C S.O.C, Dubai on September 26, 2025.

Pursuant to the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014 and in accordance with applicable accounting standards, a statement containing the salient features of financial statements of your Company's subsidiaries and associate in Form No. AOC-1 is annexed as **Annexure III** to this Report.

In accordance with the provisions of Section 136 of the Act and the amendments thereto and the SEBI Listing Regulations, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of your Company's subsidiaries, joint ventures/associate companies have been placed on the website of your Company viz. https://www.abfrl.com/investors/annual-general-meeting/

Your Company has formulated a Policy for determining Material Subsidiaries. The said policy is available on the website of the Company i.e. https://www.abfrl.com/wp-content/uploads/2023/10/11.-POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-.pdf

However, the Company does not have any material subsidiary as defined under Regulation 16(1)(c) of the SEBI Listing Regulations.

13. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has put in place adequate Internal Control Systems that are commensurate with the size of its operations. Internal Control system comprise of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information, and compliance.

14. RISK MANAGEMENT

Your Company has framed and implemented a Risk Management Policy in terms of the provisions of Regulation 21 of the SEBI Listing Regulations, for the assessment and minimization of risk, including identification therein of elements of risk, if any, which may threaten the existence of the Company.

The policy is reviewed periodically by the Risk Management and Sustainability Committee along with the key risks and related mitigation plans. More details on risks and threats have been disclosed hereinabove, as part of the Management Discussion and Analysis.

Further, in view of the ever-increasing size and complexity of the business operations, your Company is exposed to various risks emanating from frauds. Accordingly, the Board, on recommendation of the Audit Committee, has adopted an Anti-Fraud Policy and a Whistle Blower Policy, to put in place, a system for detecting and/or preventing and/or deterring and/or controlling the occurrence of frauds.

15. RELATED PARTY TRANSACTIONS ("RPTs")

All RPTs entered into during the year under review were approved by the Audit Committee, from time to time and the same are disclosed in the financial statements of your Company for the year under review. Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a Policy on RPTs and the said policy is available on the website of the Company at https://www.abfrl.com/wp-content/uploads/2023/10/9.-RELATED-PARTY-TRANSACTION-POLICY-.pdf.

Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations, all contracts/arrangements/transactions entered into by the Company with its related parties, during the year under review, were:

- in "ordinary course of business" of the Company,
- on "an arm's length basis" and
- not "material".

All transactions with related parties are in accordance with the policy on RPTs formulated by the Company.

Accordingly, Form No. AOC-2, prescribed under the provisions of Section 134(3)(h) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014, for disclosure of details of RPTs, which are "not at arm's length basis" and also which are "material and at arm's length basis", is not applicable and hence does not form part of this Intergrated Annual Report.

16. VIGIL MECHANISM

The Board, on recommendation of its Audit Committee, has adopted a Vigil Mechanism/Whistle Blower Policy and the details of which are provided in the 'Corporate Governance Report' forming part of this Integrated Annual Report.

Adequate safeguards are provided against victimization to those who avail the mechanism and direct access to the Chairperson of the Audit Committee is provided to them. The details of establishment of Vigil Mechanism are also available on the website of the Company at https://www.abfrl.com/wp-content/uploads/2025/03/WHISTLE-BLOWER-POLICY.pdf.

17. ANNUAL RETURN

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014, the Annual Return in Form no. MGT-7 is available on the website of the Company i.e., https://www.abfrl.com/investors/annual-general-meeting/.

18. COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that the applicable Secretarial Standards, i.e., SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by The Institute of Company Secretaries of India ("ICSI") respectively, have been duly followed by the Company.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company consciously makes all efforts to conserve energy across all its operations. A report containing details with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is annexed as **Annexure IV** to this Report.

20. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Pursuant to the Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, Company has constituted Corporate Social Responsibility Committee with a vision "to actively contribute to the social and economic development of the communities in which your Company operates and in doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index, Be a force for good". Company has adopted a CSR Policy which is available on the website of the Company i.e. https://www.abfrl.com/wp-content/uploads/2025/03/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf

The scope of the CSR Policy is as under:

i. Planning Project or programmes which the Company plans to undertake falling within the purview of Schedule VII of the Act and

ii. Monitoring process of such project or programmes.

The CSR Policy of the Company inter alia includes the process to be implemented with respect to the identification of projects and philosophy of the Company, along with key endeavours and goals i.e.

- **Education** - to spark the desire for learning and knowledge;
- **Health care** - to render quality health care facilities to people living in the villages and elsewhere through our hospitals;
- **Sustainable livelihood** - to provide livelihood in a locally appropriate and environmentally sustainable manner;
- **Infrastructure development** - to set up essential services that form the foundation of sustainable development and
- **Social cause** - to bring about the social change we advocate and support.

CSR initiatives taken during the year

Your Company's CSR activities are mainly focused towards Education, Health and Sanitation, Water, Digitisation, Sustainable livelihood, Institutional Building and Social Causes. An annual report on CSR activities of the Company for the financial year 2025-26 is annexed as **Annexure V** to this Report.

21. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. The report on Corporate Governance as stipulated under the SEBI Listing Regulations forms part of this Integrated Annual Report.

Your Company has duly complied with the Corporate Governance requirements as set out under Chapter IV of the SEBI Listing Regulations and M/s. BNP & Associates, Company Secretaries, vide their certificate dated May 25, 2026 have confirmed that the Company is and has been compliant with the conditions stipulated in the Chapter IV of the SEBI Listing Regulations. The said certificate is annexed as **Annexure VI** to this Report.

22. DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the SEBI Listing Regulations, your Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution framework to the Stakeholders of the Company. The policy sets out various internal and external factors, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company at https://www.abfrl.com/wp-content/uploads/2023/10/14.-DIVIDEND-DISTRIBUTION-POLICY-.pdf

23. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ("BRSR")

Your Company's sustainability initiatives are aligned with the Aditya Birla Group's sustainability vision and Sustainable Business Framework. In accordance with our sustainability vision and in terms of Regulation 34(2)(f) of the SEBI Listing Regulations, a 'Business Responsibility and Sustainability Report' forms part of this Integrated Annual Report.

The Company's BRSR includes our responses to questions about our practices and performance on key principles defined by SEBI Listing Regulations as amended from time to time, which cover topics across all ESG dimensions. Further SEBI vide its Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, updated the format of BRSR to incorporate BRSR core, a subset of BRSR indicating specific KPIs under nine principles of business responsibility which are subject to mandatory reasonable assurance by an independent assurance provider. In compliance with this requirement, the Company has received a certificate from BSI Group India Private Limited as the assurance provider for BRSR Core.

24. DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a policy on Prevention of Sexual Harassment at Workplace, which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

This policy is applicable to all employees, irrespective of their level and it also includes 'Third Party Harassment' cases i.e. where sexual harassment is committed by any person who is not an employee of the Company.

Your Company has also set up an Internal Complaints Committee at each of its administrative office(s) which is duly constituted in compliance with the provisions of the POSH Act. Further, the Company also conducts interactive sessions for all the employees, to build awareness amongst employees about the policy and the provisions of POSH Act.

The details of complaints related to sexual harassment, during the financial year 2025-26:

Sr. no.	Particulars	Pending as on March 31, 2025	Receivedduring the year	Disposed off during the year	Pending for more than 90 days	Pending as on March 31, 2026
1	Employees (On roll)	2	1	3	0	0
2	Others (Off roll/3rd party)	1	12	11	4	2
	Total	**3**	13	14	4	2

25. COMPLIANCE WITH MATERNITY BENEFIT

Your Company remains committed to supporting women employees by complying with the Maternity Benefit Act, 1961 and Code on Social Security, 2020 by introducing initiatives focused on their well-being, safety and career development.

The Aditya Birla Group's Maternity Support Program is designed to support the health, well-being and worklife balance of women employees during and after pregnancy.

26. OTHER DISCLOSURES

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company additionally discloses that, during the year under review:

- there was no change in the nature of business of your Company;
- there was no revision in the financial statements.
- it has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on March 31, 2026, there were no deposits which were unpaid or unclaimed and due for repayment, hence, there has been no default in repayment of deposits or payment of interest thereon;
- it has not issued any shares with differential voting rights;
- it has not issued any sweat equity shares;
- no significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status operations of your Company in future;
- it does not engage in commodity hedging activities;
- it has not made application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 and
- it has not made any one-time settlement for the loans taken from the Banks or Financial Institutions.

It is further disclosed that:

- there is no plan to revise the financial statements or directors' report in respect of any previous financial year.
- particulars of the loans, guarantees and investments as required under Section 186 of the Act are disclosed in the financial statements of your Company for the year under review and
- details pertaining to unclaimed shares demat suspense account of your Company are disclosed in the 'Shareholders' Information' forming part of this Integrated Annual Report.

27. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR, TO WHICH THE FINANCIAL STATEMENT RELATES, AND THE DATE OF THE REPORT.

There have been no material changes and commitments that affect the financial position of the Company which have occurred between the end of the financial year 2025-26 and the date of this Report.

28. NATIONAL FINANCIAL REPORTING AUTHORITY

The Board noted the guidance issued by the National Financial Reporting Authority ("NFRA") vide its Circular dated January 7, 2026 ("said Circular"), on effective communication between Statutory Auditors and Those Charged with Governance ("TCWG"), including the Audit Committee. Pursuant to the said Circular, the Board has approved Guidance Note on framework for communication between TCWG and Statutory Auditors of the Company.

For the purpose of implementing the framework, the Board has designated the following as TCWG:

a. All Members of the Audit Committee, as constituted by the Board

b. Managing Director (MD); and

c. Whole-time Director (WTD)

29. AWARDS AND RECOGNITION

Your Company has been a proud recipient of many awards and recognitions during the year under review and significant ones amongst them are as under:

Sustainability Leadership

- "Most Admired Sustainability Company of the year" in Global Sustainability Award 2025
- Sphera "ESG Impact Award"
- Recognized in "India's Top 60 Most Sustainable Companies" & "Amongst top 4 in Retail Sector" at BW World (IMSC)
- CII-ITC Award for Significant Achievement in Social Impact / CSR domain

Brand & Marketing Accolades

- Tasva won Gold in the Best Campaign in the Fashion & Lifestyle category at the afaqs! Communicon Awards 2026
- LoveChild Masaba won the 'Emerging Beauty and Wellness Retailer of the Year' award at the Industry of Retail and eCommerce (IReC) Awards 2025.
- W for Woman won (i) Silver award for Marketing campaign of the year at Business World Marketing Merit Awards 2025 (ii) Bronze award for Best use of AI for W x New York Fashion Week at AFAQS Brand Storyz 2025 and (iii) Bronze at ET Shark Awards 2025 – Best Integrated Marketing Campaign

PR & Communication Excellence

- Gold for its entry in the category House Journal - Print (English) at the 15TH PRCI EXCELLENCE AWARDS 2025; and
- Silver for its entry in the category Best PR Campaign at the 15TH PRCI EXCELLENCE AWARDS 2025

30. ACKNOWLEDGEMENT

We take this opportunity to thank all the customers, members, investors, vendors, suppliers, business associates, bankers and financial institutions for their continuous support. We also thank the Central and State Governments and other regulatory authorities for their co-operation.

We acknowledge the patronage of the Aditya Birla Group and above all, we place on record our sincere appreciation for the hard-work, solidarity and contribution of each and every employee of the Company in driving the growth of the Company.

On behalf of the Board of Directors
for **Aditya Birla Fashion and Retail Limited**

Place : Mumbai
Date : May 25, 2026

Ashish Dikshit
Managing Director
DIN: 01842066

Sangeeta Tanwani
Whole-time Director
DIN: 03321646

Disclaimer:

Certain statements in the "Management's Discussion and Analysis" may not be based on historical information or facts and may be "forward looking statements" within the meaning of applicable securities laws and Regulations, including but not limited to those relating to general business plans and strategy of the Company, its future outlook and growth prospects, future developments in its businesses, its competitive and regulatory environment and management's current views and assumptions, which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government Regulations, tax regimes, competitor's actions, economic developments, within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any statement, on the basis of any subsequent development, information or events, or otherwise. The "Management's Discussion and Analysis" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's securities. The financial figures have been rounded off to the nearest Rupee One Crore.

ANNEXURE I

INFORMATION: REMUNERATION OF DIRECTORS & EMPLOYEES

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013
[read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

a) **Total number of permanent employees as on March 31, 2026**: 11,962

b) **Median remuneration of employees for the financial year 2025-26**: ₹ 2,88,444

c) **Percentage increase in the median remuneration of employees**: 8.26%

d) **Average percentile increase/(decrease) in the salaries of employees other than the managerial personnel for the financial year 2025-26**: 8.05%

e) **Average percentile increase/(decrease) in the salaries of the managerial personnel for the financial year 2025-26**: 7.43%

f) **Ratio of the remuneration of each director to the median remuneration of the employees; and percentage increase/ (decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2025-26**:

Sr. No.	Name	Designation	Increase/ (decrease) %	Ratio to median remuneration
		Non-Executive / Independent Directors#		
1.	Mr. Kumar Mangalam Birla	Non- Executive Director	-	0.66
2.	Mr. Aryaman Vikram Birla	Non- Executive Director	-	1.30
3.	Ms. Ananyashree Birla	Non- Executive Director	-	0.52
4.	Mr. Arun Adhikari	Independent Director	-	3.64
5.	Ms. Preeti Vyas	Independent Director	-	1.44
6.	Mr. Sunirmal Talukdar	Independent Director	-	3.48
7.	Mr. Yogesh Chaudhary	Independent Director	-	1.85
8.	Mr. Venkatesh Mysore	Independent Director	-	1.30
9.	Mr. Nish Bhutani	Independent Director	-	3.35
10.	Mr. Vikram Rao[1]	Independent Director	-	0.66
11.	Mr. Pankaj Sood[2]	Non- Executive (Nominee) Director	-	0.00
		Executive Directors$		
12.	Mr. Ashish Dikshit^	Managing Director	8.53%	219.35
13.	Ms. Sangeeta Tanwani	Whole-time Director	4.70%	180.39
14.	Mr. Vishak Kumar[3]	Whole-time Director	N.A.*	16.20
		Key Managerial Personnel$		
15.	Mr. Jagdish Bajaj	Chief Financial Officer	8.72%	90.01
16.	Mr. Anil Malik[4]	Company Secretary & Compliance Officer	N.A.*	46.27
17.	Mr. Rajeev Agrawal[5]	Company Secretary & Compliance Officer	N.A.*	25.27

 # The remuneration comprises solely of sitting fees for Board and Committee Meetings held and attended by the respective Directors during the Financial Year and hence increase / decrease % in remuneration is not comparable.

** Increase / decrease % in remuneration is not reported as they were holding position for part of the Financial Year.*

$ The remuneration include only fixed salary component.

^Ratio to median remuneration and Increase / Decrease % for Mr. Ashish Dikshit is calculated basis total remuneration received by him as Managing Director of the Company and Aditya Birla Lifestyle Brands Limited, out of which proportionate remuneration has been reimbursed by Aditya Birla Lifestyle Brands Limited to the Company.

1. *Ceased to be an Independent director w.e.f. September 9, 2025.*
2. *Ceased to be a Non-Executive (Nominee) Director w.e.f. April 2, 2026.*
3. *Consequent to effectiveness of the scheme of arrangement between the Company and Aditya Birla Lifestyle Brands Limited w.e.f. May 1, 2025, directorship of Mr. Vishak Kumar in the Company stands relinquished w.e.f. April 30, 2025.*
4. *Ceased to be the Company Secretary & Compliance Officer w.e.f. November 30, 2025.*
5. *Appointed as the Company Secretary & Compliance Officer w.e.f. December 1, 2025.*

g) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and Senior Management is as per Executive Remuneration Philosophy/Policy of the Company.

ANNEXURE II

FORM No. MR-3
SECRETARIAL AUDIT REPORT
for the Financial Year ended March 31, 2026
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014]

To,
The Members,
Aditya Birla Fashion and Retail Limited
Piramal Agastya Corporate Park,
Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road,
Kurla, Mumbai - 400070

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Fashion and Retail Limited** – **CIN: L18101MH2007PLC233901** (hereinafter called the 'Company') for the Financial Year ended on **March 31, 2026** (the **'audit Period/ period under review'**).

We have conducted the Secretarial Audit in a manner that provided us with a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this Report based on:

(i) Our **Verification** of the Company's books, papers, minutes books, soft copies of various records, draft and signed copies of minutes of the Board and Committee meetings, forms and returns filed and other records provided to us and other records maintained by the Company;

(ii) **Compliance Certificates** confirming compliance with corporate laws applicable to the Company given by Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Company's Board of Directors and Committees thereof; and

(iii) **Representations** made, documents produced, and information provided by the Company, its Officers, Agents, and Authorized Representatives during our conduct of Secretarial Audit of the Company.

We hereby report that in our opinion, during the audit period covering the Financial Year ended on March 31, 2026, the Company has:

(i) complied with the statutory provisions listed hereunder, and

(ii) Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

We further report that:

1.1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period, in terms of applicable provisions/ clauses of:

(i) The Companies Act, 2013 and the Rules framed thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules framed thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

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

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR");

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

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

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025;

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

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

(g) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; read with Master Circular No. SEBI/HO/DDHS/DDHS PoD/P/CIR/2025/0000000137 dated October 15, 2025 as amended from time to time for Issue and Listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper;

* The company has also maintained a Structured Digital Database ("SDD"), pursuant to the requirement of regulation 3 (5) and 3 (6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(vi) Secretarial Standards relating to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (Secretarial Standards) and notified by the Central Government under Section 118(10) of the Act .

(vii) The Listing Agreements entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred to as "Stock Exchanges"), read with the Listing Regulations.

1.2. During the period under review:

(i) The Company has complied with all the applicable provisions all the aforesaid Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.

(ii) Generally Complied with the applicable provisions/ clauses of:

a) The Secretarial Standards on meetings of Board of Directors (SS- 1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, which are applicable to the meetings of the Board and the Committees constituted by the Board held during the year, the 18th Annual General Meeting ("AGM") held on September 23, 2025 and the Postal Ballot conducted by the Company dated May 16, 2025 and March 11, 2026 .

b) The compliance with the provisions of the Rules made under the Act with regard to participation of Directors through video conference for the Board/Committee meeting(s) held during the year, were verified based on the minutes of the meetings provided by the Company.

1.3. During the audit period under review, the Company was not required to initiate any compliance related action in respect of the following laws/rules/regulations/standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:

(i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

1.4. The Management has identified and confirmed that the following laws are specifically applicable to the Company;

a) Acts prescribed related to Retail activities;

b) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, Employees' State Insurance Corporation, compensation etc

c) Local Municipal Corporation Act & Bye Laws (city-wise)

d) Shops and Establishment Act & Rule (State wise);

e) The Consumer Protection Act, 2019 and rules made thereunder;

f) Legal Metrology Act, 2009;

g) Acts prescribed under prevention and control of pollution;

h) Acts prescribed under Environmental protection;

i) Acts as prescribed under Direct Tax and Indirect Tax including GST and others;

j) Land Revenue laws of respective States;

k) Labour Welfare Act of respective States;

l) Local laws as applicable to various stores as per the respective Municipal Authority;

m) The Indian Copyright Act, 1957;

n) The Patents Act, 1970 and

o) The Trade Marks Act, 1999.

We have relied on the confirmation provided by the Management as regards compliances made by the Company in respect of the above Acts.

2. BOARD PROCESSES OF THE COMPANY:

We further report that:

2.1. The Board of Directors and Key Managerial Personnel of the Company as on March 31, 2026 comprised of total of 12 (Twelve) Directors, and it is duly constituted with proper balance of Independent Directors, Non-Executive Directors and Executive Directors as given below:

i. Six Independent Directors, including One Independent Women Directors, as under:

- Mr. Arun Kumar Adhikari (DIN: 00591057)
- Mr. Nish Bhutani (DIN: 03035271)
- Mr. Venkatesh Mysore (DIN: 01401447)
- Mr. Sunirmal Talukdar (DIN: 00920608)
- Mr. Yogesh Chaudhary (DIN: 01040036)
- Ms. Preeti Vyas (DIN: 02352395)

ii. Four Non-Executive, Non-Independent Directors as under:

- Mr. Kumar Mangalam Birla (DIN: 00012813)
- Mr. Aryaman Vikram Birla (DIN: 08456879)
- Mr. Pankaj Sood (DIN: 05185378)
- Ms. Ananyashree Birla (DIN: 06625036)

iii. One Managing Director:

- Mr. Ashish Dikshit (DIN: 01842066)

iv. One Executive Director:

- Ms. Sangeeta Tanwani (DIN: 03321646)

v. Chief Financial Officer – Mr. Jagdish Bajaj

vi. Company Secretary and Compliance Officer - Mr. Rajeev Agrawal

2.2. The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during audit period, were carried out in compliance with the provisions of the Act and LODR:

i. The Board of Directors, by a resolution dated April 15, 2025, has approved the re-appointment of Mr. Nish Bhutani (DIN: 03035271), as a Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from June 05, 2025 until June 04, 2030 (both days inclusive). The re-appointment was approved by the Members of the Company through Postal Ballot dated May 16, 2025.

ii. Resignation of Mr. Vikram Rao (DIN: 00017423), as a Non-Executive and Independent Director of the Company with effect from closure of business hours on September 09, 2025.

iii. Re-appointment of Mr. Pankaj Sood (DIN: 05185378), Non-Executive (Nominee) Director, who was liable to be retire by rotation, was re-appointed, at the 18th Annual General Meeting of the Company, held on September 23, 2025.

iv. Re-appointment of Ms. Ananyashree Birla (DIN: 06625036), Non-Executive Director, who was liable to be retire by rotation, was re-appointed, at the 18th Annual General Meeting of the Company, held on September 23, 2025.

v. Based on recommendation of the Nomination and Remuneration Committee, and the Board of Directors of the Company at its meeting held on May 23, 2025, has approved the re-appointment of Ms. Sangeeta Tanwani (DIN: 03321646) as a Whole -Time Director of the Company, with effect from February 24, 2026 to January 31, 2027 and the same was approved by the Members at the 18th Annual General Meeting of the Company, held on September 23, 2025.

vi. Retirement of Mr. Anil Malik (Membership No. A11197), Company Secretary and Compliance Officer and also as the Key Managerial Personnel and Senior Management Personnel of the Company with effect from closure of business hours of November 30, 2025.

vii. Appointment of Mr. Rajeev Agrawal (Membership No. A18877), as Company Secretary and Compliance Officer and also as the Key Managerial Personnel and Senior Management Personnel of the Company with effect from December 1, 2025.

viii. With the approval of the Nomination and Remuneration Committee and the Board of Directors at their meeting held on February 05, 2026 has:

a) approved the re-appointment of Mr. Arun Kumar Adhikari (DIN: 00591057) as a Non-Executive Independent Director of the Company for the second term comprising of a period commencing from May 19, 2026 until January 19, 2029 (both days inclusive). The re-appointment was approved by the Members of the Company through Postal Ballot dated March 11, 2026.

b) approved the re-appointment of Ms. Preeti Vyas (DIN: 02352395) as a Non-Executive Director and Independent Director of the Company for the second term of five (5) consecutive years comprising of a period commencing from March 31, 2026, until March 30, 2031 (both days inclusive). The re-appointment was approved by the Members of the Company through Postal Ballot dated March 11, 2026.

c) approved the re-appointment of Mr. Yogesh Chaudhary (DIN: 01040036), as a Non-Executive Director and Independent Director of the Company for the second term of five (5) consecutive years comprising of a period commencing from March 17, 2026 until March 16, 2031 (both days inclusive). The re-appointment was approved by the Members of the Company through Postal Ballot dated March 11, 2026.

ix. Based on the recommendation of the Audit Committee, Nomination and Remuneration Committee and the Board of Directors at their meeting held on March 24, 2026 has appointed Mr. Nikhil Modha as Chief Financial Officer (Designate) & Senior Management Personnel of the Company with effect from April 01, 2026 and as Chief Financial Officer ("CFO") & Key Managerial Personnel ("KMP") of the Company with effect from January 01, 2027.

x. Mr. Jagdish Bajaj, Chief Financial Officer ("CFO") and Key Managerial Personnel ("KMP") of the Company, will oversee a planned and phased leadership transition until December 31, 2026. Subsequently, He will retire from the services of the Company and will also cease to be CFO and KMP of the Company with effect from closure of business hours of December 31, 2026.

2.3. Adequate notices were given to all directors of the Company, while scheduling the meetings of the Board of Directors and Committees thereof, except some meetings were consent of the directors was obtained for scheduling the meetings at a shorter notice.

2.4. Agenda and detailed notes on agenda in respect of matters in the nature of Unpublished Price Sensitive Information (UPSI), were either circulated separately. The circulations were less than seven days before the meetings of the Board and Committees thereof or were tabled at the meetings. However, the consent of the Board / committee had been obtained, as required under SS-1.

2.5. A system exists for Directors to seek and obtain further additional information and clarifications on the Agenda items before the Meetings and to ensure their meaningful participation at the Meetings.

2.6. We note from the minutes examined that, at the meetings of the Board and its Committees held during the review period:

(i) Decisions were taken through the majority of the Board or unanimously; and

(ii) No dissenting views were expressed by any Board member on the matters discussed, which were required to be recorded as part of the minutes.

3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

4. SPECIFIC EVENTS / ACTIONS

No major corporate event has occurred during the audit period, which has a major bearing on the Company's affairs in pursuance of applicable laws, rules, regulations, guidelines, standards etc. except for the following;

(1) During the period under review, the Company has allotted 2,71,746 [Two Lakh Seventy-One Thousand Seven Hundred and Forty-Six] fully paid-up Equity Shares of Rs. 10/- (Rupees Ten Only) each, to the eligible employees of Company, pursuant to the exercise of Options and Restrictive Stock Units under the Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017.

The Stakeholders Relationship Committee of the Company approved the ESOP allotment as follows:

Sr. No	Date of Allotment	No. of Equity Shares allotted of face value of Rs. 10/- each
1.	May 10, 2025	33,827
2.	October 16, 2025	2,25,779
3.	March 03, 2026	12,140

(2) During the period under review, the Company has allotted 5,500 [Five Thousand Five Hundred] fully paid-up Equity Shares of Rs. 10/- (Rupees Ten Only) each, to the eligible employees of Company, pursuant to the Aditya Birla Fashion and Retail Limited - TCNS Division Employee Stock Option Scheme 2024.

(3) The Board of Directors of the Company at its meeting held on August 13, 2025 and Members at their 18th Annual General Meeting held on held on September 23, 2025, approved payment of the remuneration to Mr. Ashish Dikshit (DIN: 01842066), Managing Director of the Company for the remaining period of 2 (two) years viz., February 01, 2026 up to January 31, 2028.

(4) The Board of Directors at their meeting held on April 19, 2024 approved the Scheme of Arrangement amongst the Company and Aditya Birla Lifestyle Brands Limited ("Demerger Scheme") to demerge the Madura Lifestyle Fashion Business (MFL) from the Company into Aditya Birla Lifestyle Brands Limited ("Resulting Company) – a newly incorporated wholly owned subsidiary company. Subsequently, on November 07, 2024, the Company and Resulting Company Jointly filed Application with Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), pursuant to approval of the equity shareholders of the Company January 21, 2025. NCLT vide its order dated March 27, 2025 sanctioned the Scheme.

The Company filed the certified copy of the Order passed by NCLT with the Registrar of Companies and consequently all conditions precedent to the effectiveness of the Scheme have been satisfied. Appointed Date as per the Scheme was April 01, 2024 and accordingly, Effective Date in terms of the Scheme was May 01, 2025.

Pursuant to effectiveness of the Scheme with effect from May 01, 2025, all employees of the Company engaged in or in relation to the MLF Business (as defined in the Scheme) have become employees of the Resulting Company. Mr. Vishak Kumar, a Whole-time Director ("WTD") and Key Managerial Personnel ("KMP"), who was an employee of the Company , has been transferred to the Resulting Company and accordingly, his position as WTD and KMP stand relinquished from closure of business hours of April 30, 2025.

Mr. Ashish Dikshit, who is presently serving as the Managing Director of the Company, was also appointed as Managing Director of the Resulting Company by its Board of Directors with effect from May 01, 2025.

In accordance with provisions of the Scheme, Resulting Company shall issue and allot 01 (One) fully paid up equity share of Resulting Company having face value of Rs 10 (Rupees Ten) each for every 01 (One) fully paid-up equity share of Rs. 10 (Rupees Ten) each of the Company to the shareholders of the Company whose names are recorded in the register of members and / or records of the depository as on the Record Date (i.e., May 22, 2025).

(5) The Company and Aditya Birla Digital Fashion Ventures Limited ("ABDFVL"), a wholly owned subsidiary of the Company, executed a Shareholders' Agreement ("SHA") and Share Subscription Agreement ("SSA") with ServiceNow Ventures Holdings, Inc. on August 13, 2025, for investment into ABDFVL, by way of 0.0001% non-cumulative, participating compulsorily convertible preference shares ("CCPS") for an amount up to ~ Rs. 437 Crore.

(6) Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors at their meeting held on August 13, 2025 and the Members of the Company at 18th Annual General Meeting , held on September

23, 2025 approved the Aditya Birla Fashion and Retail Limited Employee Stock Option and Performance Stock Unit Scheme 2025 ("ABFRL Scheme 2025") and to extend the benefits of the ABFRL Scheme 2025 to employees of the subsidiary company(ies) of the Company.

(7) Aditya Birla Digital Fashion Ventures Limited ("ABDFVL"), a wholly owned subsidiary of the Company, has executed a Binding offer Letter with Universal Sportsbiz Private Limited ("USPL") on June 18, 2024, for a minority investment with an option for a path to majority stake acquisition in USPL, comprising of manufacturing and distribution of fashion apparels, footwear and accessories, under the brand 'Wrogn' ("Proposed Investment"). Subsequently, ABDFVL infused ~ Rs. 75 Crore of the final remaining portion of the stated primary investments into Wrogn, thereby increasing its shareholding in Wrogn, from 17.10% to 32.84% on a fully diluted basis. ABDFVL has made further capital investments in Wrogn through a combination of primary infusion and secondary transaction. This comprises of acquisition of additional stake of 2.53% in Wrogn (on fully diluted basis) against an aggregate amount of ~ Rs. 6.57 Crore. ABDFVL has also made another primary infusion of ~ Rs. 35.81 Crore in Wrogn through subscription of Optionally Convertible Redeemable Preference Shares ("OCRPS").

(8) The Board of Directors of the Company at its Meeting held on February 05, 2026 have considered and approved the Scheme of Amalgamation ("Scheme") amongst Aditya Birla Fashion and Retail Limited ("Amalgamated Company" or "Company") and Jaypore E-Commerce Private Limited ("Amalgamating Company 1") and TG Apparel & Decor Private Limited ("Amalgamating Company 2") and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder. Amalgamating Company 1 and Amalgamating Company 2 are wholly - owned subsidiary companies of the Amalgamated Company. The Scheme is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the Hon'ble National Company Law Tribunal.

(9) The Company has satisfactorily complied with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as applicable to the Company. However, there was delay in filing an intimation of record date for purpose of payment of interest amount to Bombay Stock Exchange Limited (BSE) as required under Regulation 60(2) of SEBI (LODR) Regulations, 2015. BSE had imposed a fine of Rs. 10,000 (excluding GST) on the Company on September 30, 2025, for the aforesaid delay and the Company has submitted a request to the BSE seeking waiver of the aforesaid fine, and the response is awaited.

For BNP & Associate
Company Secretaries
Firm Registration. No. P2014MH037400
PR. No: 7353/2025

Honey Soni
Partner
ACS No: A44314/ COP No: 26849
UDIN: A044314H000465427

Date: May 25, 2026
Place: Mumbai

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

Annexure A to the Secretarial Audit Report for the financial year ended March 31, 2026

To,
The Members,
Aditya Birla Fashion and Retail Limited
Piramal Agastya Corporate Park,
Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road,
Kurla, Mumbai - 400070

Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after March 31, 2026 but before the issue of this Report.
4. We have considered compliance related actions taken by the Company based on independent legal /professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associate
Company Secretaries
Firm Registration. No. P2014MH037400
PR. No: 7353/2025

Honey Soni
Partner
ACS No: A44314/ COP No: 26849
UDIN: A044314H000465427

Date: May 25, 2026
Place: Mumbai

ANNEXURE III

AOC-1

Statement containing salient features of the consolidated financial statement of Subsidiaries or associate companies / Joint Ventures

Part "A" - Subsidiaries

₹ in Crore

Sr. No.	Particulars	Name of the subsidiary companies																			
		Jaypore E-Commerce Private Limited	TG Apparel & Decor Private Limited	Finesse International Design Private Limited	Sabyasachi Calcutta LLP	Goodview Fashion Private Limited	Indivinity Clothing Retail Private Limited	Aditya Birla Digital Fashion Ventures Limited	House of Masaba Lifestyle Private Limited	Imperial Online Services Pvt. Ltd.	Pratyaya E-Commerce Private Limited	Awesomelab Shopping Private Limited	Bewakoof Brands Private Limited	Next Tree Products Private limited	Styleverse Lifestyle Private Limited	Sabyasachi Inc.*	Jaypore Fashions Inc.**	Tarun Tahiliani Fashions Trading L.L.C S.O.C ***
1	Date since when subsidiary was acquired	July 02, 2019	July 02, 2019	July 26, 2019	February 24, 2021	July 11, 2024	March 26, 2021	April 11, 2022	June 1, 2022	August 12, 2022	July 22, 2022	August 24, 2022	February 15, 2023	February 15, 2023	October 30, 2023	February 24, 2021	May 31, 2023	September 26, 2025
2	Reporting period	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26
3	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	USD	USD	AED
4	Share capital/ Partner's capital account	21.37	0.01	1.66	1,059.26	0.01	104.34	772.66	1.34	1.30	1.30	1.70	0.09	0.01	1.00	95.43	0.04	3.86
5	Reserves & surplus	-53.25	-1.56	-17.71	-	121.00	-271.13	144.72	25.66		16.22	26.44	31.24	-8.13	197.52	-41.05	0.03	-0.15
6	Total assets	280.21	1.67	112.85	1,334.06	276.03	802.93	1,555.91	182.68	82.32	82.32	102.66	300.13	0.39	486.12	95.35	1.16	4.94
7	Total liabilities	312.09	3.22	128.89	274.80	155.02	969.71	638.53	155.68	64.81	64.81	75.01	268.80	8.51	287.60	40.97	1.08	1.23
8	Investments	0.04	-	-	95.43	29.47	-	1,290.73	-	-	-	-	0.01	-	30.17	-	-	-
9	Turnover	110.91	-	90.95	614.38	221.61	198.95	15.21	133.60	119.39	119.39	203.01	243.12	1.01	234.55	31.30	0.03	-
10	Profit/(Loss) before taxation	-56.89	-0.32	-19.39	71.50	32.40	-145.49	-79.02	-50.56	-8.90	-8.90	0.18	-87.43	-0.65	-38.58	4.37	0.00	-0.21
11	Provision for taxation	-	-	-	24.79	8.39	-	-	-	-1.81	-1.81	1.53	-	-	-9.93	0.55	-	-
12	Profit/(Loss) after taxation	-56.89	-0.32	-19.39	46.72	24.01	-145.49	-79.02	-50.56	-7.09	-7.09	-1.36	-87.43	-0.65	-28.65	3.81	0.00	-0.21
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	% of shareholding	100.00%	100.00%	65.50%	51.00%	51.01%	85.54%	100.00%	61.81%	84.38%	84.38%	87.57%	86.58%	89.01%	51.00%	51.00%	100.00%	51.01%

1. Names of subsidiaries which are yet to commence operations - Tarun Tahiliani Fashions L.L.C S.O.C
2. Names of subsidiaries which have been liquidated or sold during the year - NIL

Part "B" - Associate

₹ in Crore

Sl. No.	Particulars	Wrogn Private Limited
1	Date since when Associate	June 19, 2024
2	Shares of Associate Held by the Company on year end	31,404
	a) Nos.	31,404
	b) Amount Invested in Associate at cost##	(190.47)
	c) Extent of Holding (%) as on 31st March, 2026	(35.36%)
3	Networth attributable to shareholding as per latest Audited Balance Sheet	3.33
4	Profit/(Loss) for the Year (including OCI)	(88.05)
	a) Considered in Consolidation	(29.35)
	b) Not considered in Consolidation	(58.70)
5	Amount of Investment in Associate at cost ##	190.47
6	Extent of Holding (%) as on 31st March, 2026	35.36%
7	Considered in Consolidation	(29.35)
8	Not considered in Consolidation	(58.70)

*Indian Currency for P&L items at 1 USD =88.61;Balance sheet items at 1 USD = INR 94.6543

**Indian Currency for P&L items at 1 USD = 88.30; Balance sheet items at 1 USD = INR 94.6543

***P&L items at 1 AED =INR 25.1736; Balance sheet items at 1 AED = INR 25.7694

- Amount of investment is excluding share of profit/loss of associate during the year

For and on behalf of the Board of Directors of
Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN: 01842066)

Place: Mumbai
Date : May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN: 03321646)

Place: Mumbai
Date : May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date : May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date : May 25, 2026

ANNEXURE IV

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

I. The steps taken or impact on conservation of energy:

- Energy conservation measures at your Company are looked at in synergy with Carbon Footprint and Green Building initiatives and your Company has taken actions to reduce its energy & carbon footprint.
- Your Company is in constant endeavour to reduce energy consumption and implemented various initiatives across our operations, including ensuring optimum internal and external lighting, installation of LED lights, VFDs, HVAC optimisation and efficient equipment's and also designing new facilities and stores embracing green concepts.
- Your Company is also exploring innovative and scalable opportunities to further enhance operational efficiency across facility and retail spaces to cut down on overall energy usage and progress further in the decarbonization journey.

II. The steps taken by the Company for utilizing alternate sources of energy:

- Our total energy requirement is met through renewable energy sources with help of increasing use of renewable electricity. Solar rooftop plant with capacity of **550 KWp** has been operational in 2 facilities (i.e. 2 warehouses) enabling us to generate more than **1.1 lakh units (kWh)**

III. Capital Investment on energy conservation equipment:

Your Company has invested in energy conservation measures, which includes moving towards energy-efficient lighting systems.

B. TECHNOLOGY ABSORPTION

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): There has been no import of technology in the financial year 2025-26.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- Foreign exchange earnings for the year under review relating to continuing operations: ₹ 1.46 Crore (vis-à-vis ₹ 0.28 Crore during the previous year).
- Foreign exchange outgo for the year under review relating to continuing operations: ₹ 352.37 Crore (vis-à-vis ₹ 286.96 Crore during the previous year).

ANNEXURE V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on Corporate Social Responsibility ("CSR") Policy of the Company:
   - To actively contribute to the social and economic development of the communities in which the Company operates. In doing so, the company seeks to build a better, sustainable way of life for the weaker sections of society, to contribute effectively towards inclusive growth and raise the country's human development index.
   - Projects of the Company focus on education, healthcare & sanitation, sustainable livelihood, water and digitization epitomising a holistic approach to inclusive growth.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Meetings of CSR Committee held during the year	Meetings of CSR Committee attended during the year
1.	Mr. Ashish Dikshit	Chairperson/Managing Director	1	1
2.	Mr. Nish Bhutani	Member/Independent Director	1	1
3.	Ms. Preeti Vyas	Member/Independent Director	1	0
4.	Mr. Yogesh Chaudhary	Member/Independent Director	1	1

Permanent Invitees: Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development and Dr. (Mrs.) Pragnya Ram, Group Executive President CSR, Legacy Documentation & Archives

3. Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company as mentioned below:

   (i) Composition of CSR Committee : www.abfrl.com/corporate-governance/

   (ii) CSR Policy : https://www.abfrl.com/wp-content/uploads/2025/03/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf

   (iii) CSR Projects : https://www.abfrl.com/csr/

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **Not Applicable for the Financial Year under review.**

5. (a) Average net profit of the company as per sub-section (5) of section 135: **₹ (244.20) crore**

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Nil**

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

   (d) Amount required to be set-off for the financial year, if any: **Nil**

   (e) Total CSR obligation for the financial year [(5b)+(5c)-(5d)]: **Nil**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **2.78 crore**
   (b) Amount spent in Administrative Overheads: ₹ **0.05 crore**
   (c) Amount spent on Impact Assessment, if applicable: **Nil**
   (d) Total amount spent for the Financial Year [(6a)+(6b)+(6c)]: ₹ **2.83 crore**
   (e) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (₹ in Cr)	Amount Unspent (₹ in Cr)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2.83			Not Applicable		

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

Sr. No.	Particular	Amount (₹ in Cr)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	2.83
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.83
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.83*

*The Company has spent in excess of the mandatory requirement under the Companies Act, 2013 but the same is not proposed to be set off.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any (in ₹)
					Account (in ₹)	Date of transfer		
Nil								

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

   If yes, enter the number of Capital Assets created/acquired: **Not applicable**

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): **Not Applicable**

Ashish Dikshit
Managing Director and Chairperson of the CSR Committee
DIN: 01842066

Preeti Vyas
Independent Director and Member of the CSR Committee
DIN: 02352395

Place : Mumbai
Date : May 25, 2026

ANNEXURE VI

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Aditya Birla Fashion and Retail Limited
Piramal Agastya Corporate Park,
Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road,
Kurla, Mumbai – 400070

We, BNP & Associates, Practicing Company Secretaries have examined all relevant records of **Aditya Birla Fashion and Retail Limited having CIN: L18101MH2007PLC233901** (hereinafter referred to as "**the Company**"), as provided by the Company for the purpose of certifying the compliance of the disclosure requirements and Corporate Governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Chapter IV and Chapter V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended from time to time **for the financial year ended 31st March 2026**. We have obtained all the information and explanations, which, to the best of our knowledge and belief, is necessary for the purpose of this certification.

We state that the completing compliance requirements of Corporate Governance is the responsibility of the management, and our examination is limited to procedures and implementation thereof as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for listed company in the LODR for the above financial year.

We further state that the above certification is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company during the financial year.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No.: 7353/2025

Avinash Bagul
Partner FCS No. 5578
CP No. 19862
UDIN: F005578H000465906

Date: May 25, 2026
Place: Mumbai

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Aditya Birla Group ("Group/ABG") is committed towards the adoption of the best Corporate Governance practices and its adherence in the true spirit, at all times. As a part of the Group, at Aditya Birla Fashion and Retail Limited ("Your Company"/ "ABFRL"), we feel proud to belong to a Group whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. These are demonstrated in our Group Chairman's Vision, Group's purpose and values as mentioned below:

"At the core, good governance is about ensuring fair outcomes. The pre-requisite to achieving a fair outcome in the eyes of all stakeholders, is to first build trust. Trust is the foundation of corporate governance."

Mr. Kumar Mangalam Birla
Chairman, Aditya Birla Group

"To enrich lives, by building dynamic and responsible businesses and institutions, that inspires trust."
Aditya Birla Group Purpose

The Power of Five Values are encapsulated as:

	Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity, but encompasses all other forms as are generally understood.
	On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.
	An energetic, intuitive zeal that arises from emotional engagement with the organisation that makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm.
	Thinking and working together across functional groups, hierarchies, businesses and geographies. Leveraging diverse competencies and perspectives to garner the benefits of synergy while promoting organisational unity through sharing and collaborative efforts.
	Responding to internal and external customers with a sense of urgency. Continuously striving to finish before deadlines and choosing the best rhythm to optimise organisational efficiencies.

Your Company's philosophy on Corporate Governance lies in achieving the highest level of integrity, transparency, accountability, sustainability and ethical behaviour in all aspects. Your Company's governance philosophy rests on five basic tenets viz, accountability towards all stakeholders, transparency and timely disclosures, strategic guidance and effective monitoring, high standards of ethics, equitable treatment and protection of minority interests and rights.

Our Company confirms compliance with the Corporate Governance requirements as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('SEBI Listing Regulations'), the details of which are as set out hereunder:

The Board of Directors ("Board")

The Board is at the core of the corporate governance system of the Company. The Board is committed towards adherence of sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long-term interests of the members and other stakeholders. This belief is reflected in the governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

Composition of the Board

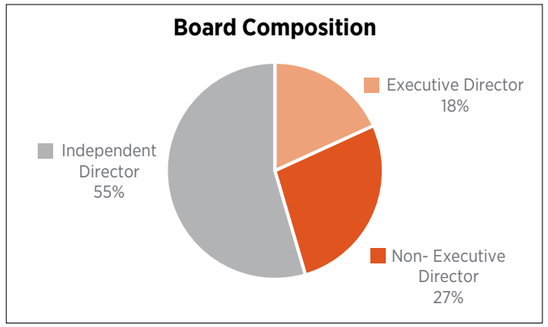
Our Company has a balanced and diverse Board, which includes independent professionals and conforms to the provisions of the Companies Act, 2013, ("the Act") and SEBI Listing Regulations.

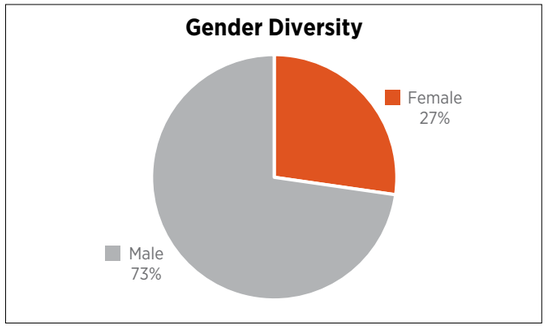
The Directors possess the necessary qualifications, experience, and expertise in their respective functional areas, enabling them to effectively fulfil their responsibilities and provide strong leadership to the management. In structuring the Board, various factors are taken into account, including educational background, professional experience, gender diversity, skills, and overall knowledge, among others.

Our Company's Board comprises of 11 (Eleven) Directors, 6 (Six) are Independent Directors, 3 (Three) Non-executive Directors and 2 (Two) Executive Directors. Our Company's Board comprises of 3 (Three) Women Directors, out of which 1 (One) is an Independent Director.

This composition reflects a balanced mix of executive and non-executive leadership, with a strong presence of Independent Directors.

The Company's governance framework is anchored in the highest standards of business ethics and corporate governance. It is guided by well-defined principles that promote transparency, accountability, and fairness in all dealings.





Board Profiles

Brief profiles of the Directors, including their areas of expertise, other directorships, committee memberships, and shareholding in the Company are provided below.

MR. KUMAR MANGALAM BIRLA

Non-Executive Director, Chairman

DIN: 00012813

Age: 59 years

Date of Appointment: February 24, 2021

Term ending date: Liable to retire by rotation

Inter-se Relationship: Yes
Father of Ms. Ananyashree Birla and
Mr. Aryaman Vikram Birla

Shareholding: 12,53,369

Board Memberships - Other Indian listed companies
1. Grasim Industries Limited: Non-executive Director
2. Hindalco Industries Limited: Non-executive Director
3. Aditya Birla Real Estate Limited: Non-executive Director
4. UltraTech Cement Limited: Non-executive Director
5. Vodafone Idea Limited: Non-executive Director
6. Aditya Birla Capital Limited: Non-executive Director

Directorship(s) held in other public companies: 8

Committee position held in other companies:
Chairperson - None
Member - None

Area of expertise

Corporate Governance, Legal & Compliance

Profile:

Mr. Kumar Mangalam Birla is the Chairman of the Board of Directors of your Company and the Chairman of Aditya Birla Group ("Group"), which operates in 41 countries across six continents. He is a chartered accountant and holds an MBA degree from the London Business School.

Mr. Birla chairs the Boards of all major Group companies in India and globally. In the 30 + years that he has been at the helm of the Group, he has accelerated growth, built meritocracy, and enhanced stakeholder value. In the process he has raised the Group's turnover by over 30 times.

He has been the architect of over 60 acquisitions in India and globally, among the highest by any Indian multinational. Under his stewardship, the Group enjoys a position of leadership in all the major sectors in which it operates, from cement to chemicals, metals to textiles, fashion to financial services and real estate to renewables. Over the years, Mr. Birla has built a highly successful meritocratic organisation, anchored by an extraordinary force of over 2,25,000 employees.

Outside the Group, Mr. Birla has held several key positions on various regulatory and professional Boards. He was a Director on the Central Board of Directors of the Reserve Bank of India. He was Chairman of the Advisory Committee constituted by the Ministry of Company Affairs and also served on the Prime Minister of India's Advisory Council on Trade and Industry. As the Chairman of the Securities Exchange Board of India Committee on Corporate Governance, he framed the first- ever governance code for Corporate India.

Over the years, Mr. Birla has been conferred several prestigious awards. In 2023, he was conferred the prestigious Padma Bhushan, among India's highest civilian honours. India's leading business publication, The Economic Times, has honoured him three times with the 'Business Leader of the Year' award, most recently in 2025 - making him the only industrialist to receive this distinction thrice. He was also conferred the prestigious Business Leader of the Decade award by the All-India Management Association (AIMA), and the Entrepreneur of the decade award by CNBC-TV18. He is also the first Indian Industrialist to be conferred an Honorary degree by the Institute of Company Secretaries of India.

Mr. Birla is deeply engaged with Educational Institutions. He is the Chancellor of the Birla Institute of Technology & Science with campuses in Pilani, Goa, Hyderabad, Dubai and Mumbai. He has also been the Chairman of the Indian Institute of Management, Ahmedabad and Indian Institute of Technology, Delhi.

Financial Literacy	On the global arena, Mr. Birla serves on the board of the London Business School. In 2019, Mr. Birla constituted a £15mn scholarship programme at the London Business School in memory of his grandfather, Mr. B. K. Birla, marking the largest ever endowed scholarship gift to a European Business School. In 2025, Mr. Birla was also conferred a doctoral degree by the University of London—an honour that was presented by HRH Princess Anne. A firm practitioner of the trusteeship concept, Mr. Birla has institutionalised the concept of caring and giving at the Group. With his mandate, the Group is involved in meaningful welfare driven activities that distinctively enrich the lives of millions.
General Management	
Human Resource Development	
Industry Knowledge	
Technology, Digitisation & Innovation	
Marketing	
Risk Management	
Strategic Expertise	
Sustainability	

MS. ANANYASHREE BIRLA

Non-Executive Director

DIN: 06625036
Age: 31 years
Date of Appointment: January 30, 2023
Term ending date: Liable to retire by rotation
Inter-se Relationship: Yes Daughter of Mr. Kumar Mangalam Birla and Sister of Mr. Aryaman Vikram Birla
Shareholding: Nil
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Non-executive Director 2. Grasim Industries Limited: Non-executive Director 3. Hindalco Industries Limited: Non-executive Director
Directorship(s) held in other public companies: 5
Committee position held in other companies: Chairperson - 1 Member - 2
Area of expertise
Corporate Governance, Legal & Compliance
Financial Literacy
General Management
Human Resource Development
Industry Knowledge
Technology, Digitisation & Innovation
Marketing
Risk Management
Strategic Expertise
Sustainability

Profile:

Ms. Ananyashree Birla is a businesswoman, artist and the fifth generation of the illustrious Birla family.

She started Svatantra Microfin at the age of 17. In one of the largest deals in the industry, Svatantra acquired Chaitanya India Fin Credit. Svatantra is the second largest and best performing microfinance institutions in India. With a team strength of over 24,500 across over 2100 branches spread over 20 states and a combined AUM of about 24,000 Cr. (as on 31st March 2026), Svatantra finances entrepreneurs who power India's growth story. Svatantra secured the largest PE investment deal in the microfinance sector, amounting to INR 1930 Cr. ($230 million), with investments from Advent International and Multiples. The AA graded organization (highest rating in the sector) was awarded the best microfinance organization of the year and has been placed in the top 25 best places to work in its segment by globally recognized Great Places To Work 2020. In addition, Svatantra MHFC, her micro housing arm, is the only housing institution to focus on the EWS/LIG segment, and to have a completely branchless model. It was also named as one of the top 50 Great Places to Work in the mid-size category.

She founded Birla Cosmetics, Birla AI Labs and Birla Studios and serves on the boards of Aditya Birla Management Corporation, Grasim Industries, Hindalco Industries, Aditya Birla Education Trust, Aditya Birla Fashion and Retail and Aditya Birla Lifestyle Brands. She is playing a pivotal role in shaping the way for key growth areas such as real estate and global commodities trading.

MR. ARYAMAN VIKRAM BIRLA

Non-Executive Director

DIN: 08456879
Age: 28 years
Date of Appointment: January 30, 2023
Term ending date: Liable to retire by rotation
Inter-se Relationship: Yes Son of Mr. Kumar Mangalam Birla and Brother of Ms. Ananyashree Birla
Shareholding: 4,25,000
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Non-executive Director 2. Grasim Industries Limited: Non-executive Director 3. Hindalco Industries Limited: Non-executive Director
Directorship(s) held in other public companies: 5
Committee position held in other companies: Chairperson - None Member - None
Area of expertise
Corporate Governance, Legal & Compliance
Financial Literacy
General Management
Human Resource Development
Industry Knowledge
Technology, Digitisation & Innovation
Marketing
Risk Management
Strategic Expertise
Sustainability

Profile:

Mr. Aryaman Vikram Birla is a seventh-generation member of the Birla family and part of the leadership team of the Aditya Birla Group. He leads the Group's portfolio strategy agenda, alongside its Fashion, Renewables, Hospitality, and Venture Capital businesses.

Mr. Aryaman has played a leading role in several of the Group's most important strategic initiatives, spanning landmark acquisitions, primary capital raises, new consumer platforms, venture investments, and global partnerships. Most recently, he spearheaded the Group's $1.8 billion acquisition of Indian Premier League franchise Royal Challengers Bengaluru (RCB), alongside marquee partners including Blackstone, Bolt Ventures, and the Times Group.

He has also helped shape the Group's next phase of growth across high-potential sectors. In Renewables, he led Aditya Birla Renewables' primary capital raise from Global Infrastructure Partners, part of BlackRock, one of India's largest primary capital infusions in the renewable energy sector, helping scale the Group's clean energy platform. In Hospitality and consumer lifestyle, he led the acquisition of KA Hospitality and the partnership to bring Joe & The Juice to India, strengthening the Group's presence across premium hospitality and lifestyle brands. Through Aditya Birla Ventures, he has also led minority investments across emerging sectors including consumer products, space technology, fintech, and other high-growth new-age businesses.

He serves on the board of the Aditya Birla Management Corporation, the Group's apex decision-making body, and is also a Director on the boards of several key Group companies.

Aryaman holds an MBA with Honours from Harvard Business School. Prior to joining the Aditya Birla Group, he was a first-class cricketer.

MR. ASHISH DIKSHIT

Managing Director

DIN: 01842066
Age: 56 years
Date of Appointment: February 1, 2018
Term ending date: January 31, 2028
Inter-se Relationship: No
Shareholding: 4,45,733
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Managing Director
Directorship(s) held in other public companies: 8
Committee position held in other companies: Chairperson - None Member - 3
Area of expertise
Corporate Governance, Legal & Compliance
Financial Literacy
General Management
Human Resource Development
Industry Knowledge
Technology, Digitisation & Innovation
Marketing
Risk Management
Strategic Expertise
Sustainability

Profile:

Mr. Ashish Dikshit is Alumnus of IIT-Madras (Electrical Engineering), IIM-Bangalore (MBA) and Harvard Business School (Advanced Management Program) and has over 30 years of experience in diverse roles across industries and functions. He has Started his career at Asian Paints before moving to Madura Fashion and Lifestyle Division of the Company, where he worked in its various functions ranging from Sales, Brand Management, Supply Chain and Sourcing over 15 years. He was appointed President of its Lifestyle (MFL) Business in 2007 and went on to become its CEO in 2012. Served as the Principal Executive Assistant to the Chairman of Aditya Birla Group, where he built strong knowledge across Group's various businesses in multiple industry sectors, ranging from manufacturing businesses such as Metals, Cement, Textiles and Specialty chemicals to consumer businesses such as Telecom, Financial Services and Retail.

He Was honoured with the Outstanding Leader Award in the year 2011 by the Chairman of the Aditya Birla Group.

He took over as the Managing Director of Aditya Birla Fashion and Retail Limited in February, 2018 and Aditya Birla Lifestyle Brands Limited in May, 2025.

MS. SANGEETA TANWANI

Whole-time Director

DIN: 03321646
Age: 60 years
Date of Appointment: February 24, 2021
Term ending date: January 31, 2027
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies: 1. Sula Vineyards Limited: Independent Director 2. International Gemmological Institute (India) Limited: Independent Director 3. OnEMI Technology Solutions Limited: Independent Director
Directorship(s) held in other public companies: 5
Committee position held in other companies: Chairperson - None Member - 4
Area of expertise
Financial Literacy
General Management
Industry Knowledge
Technology, Digitisation & Innovation
Marketing
Risk Management
Strategic Expertise
Sustainability

Profile:

Ms. Sangeeta Tanwani brings over three decades of leadership experience across FMCG, Retail and pharmaceuticals.

Since joining the Company in 2018, she led a strategic transformation of Pantaloons, strengthening brand positioning, product portfolio, retail experience, and adopting a capital-light model to scale successfully in the masstige fashion segment.

She spearheaded the Company's entry into the deep-value fashion segment, building Style Up and transforming it into OWND! a youth-focused brand reflecting sharp customer insight and strong understanding of India's evolving fashion landscape.

MR. ARUN ADHIKARI

Independent Director
DIN: 00591057
Age: 72 years
Date of Appointment: May 19, 2021*
Term ending date: January 19, 2029
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Independent Director 2. Aditya Birla Capital Limited: Independent Director 3. Voltas Limited: Independent Director 4. Hindalco Industries Limited: Independent Director
Directorship(s) held in other public companies: 5
Committee position held in other companies: Chairperson - 1 Member - 8
Area of expertise
Financial Literacy
General Management
Marketing
Corporate Governance, Legal & Compliance
Risk Management
Strategic Expertise
Sustainability
Human Resource Development

Profile:

Mr. Arun Adhikari graduated with a B. Tech. (Chemical Engineering) from IIT, Kanpur; MBA from IIM Calcutta; Advanced Management Program at The Wharton School, University of Pennsylvania, USA.

He joined Hindustan Unilever Limited as Management Trainee in 1977 and was with Unilever throughout his full career and retired from Unilever in January 2014 as Senior Vice-President for Unilever Laundry Category across Asia and Africa.

He has worked with McKinsey & Company in India as Senior Advisor from May 2014 for 4 years, supporting the Consumer Practice and working extensively with McKinsey clients across Consumer and non-Consumer businesses on Marketing and Sales strategy related areas.

Currently an Independent Director on the Boards of Aditya Birla Fashion and Retail Limited, Aditya Birla Lifestyle Brands Limited, Hindalco Industries Limited, Aditya Birla Capital Limited, Voltas Limited and Aditya Birla Sunlife Insurance Company Limited.

**Re-appointed with effect from May 19, 2026 up to January 19, 2029.*

MR. NISH BHUTANI

Independent Director
DIN: 03035271
Age: 59 years
Date of Appointment: June 5, 2020*
Term ending date: June 4, 2030
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Independent Director
Directorship(s) held in other public companies: 1
Committee position held in other companies: Chairperson - None Member - 2
Area of expertise
Financial Literacy
General Management
Marketing
Technology, Digitisation & Innovation
Risk Management
Strategic Expertise
Sustainability
Human Resource Development

Profile:

Mr. Nish Bhutani holds a degree in MBA (Honors) from Harvard University, and B.S. and M.S degrees in Engineering from Stanford University.

He has over 34 years of experience with digital and technology companies in Silicon Valley, UK and India.

He is a Founder & CEO of Indiginus Learning Pvt. Ltd. and a Founder of Indiginus Inc.

**Re-appointed with effect from June 5, 2025 up to June 4, 2030.*

MS. PREETI VYAS

Independent Director

DIN: 02352395
Age: 69 years
Date of Appointment: March 31, 2021*
Term ending date: March 30, 2031
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Independent Director 2. Aditya Birla Real Estate Limited: Independent Director
Directorship(s) held in other public companies: 7
Committee position held in other companies: Chairperson - 2 Member - 7
Area of expertise
Industry Knowledge
General Management
Marketing
Strategic Expertise
Sustainability
Technology, Digitisation & Innovation

Profile:

Ms. Preeti Vyas is an Independent entrepreneur who has steered Vyas Giannetti Creative to a top position in India as an Integrated Design and Communication Consultancy, with a portfolio of marquee clients.

She is counted among 50 most influential women in India by Impact and Verve magazines and ranked as one of the top creative minds by The Economic Times and named one of the 25 most Powerful Women in Indian business by Business Today.

She has served on the juries of Cannes Awards, D&AD London, New York Festivals and others and involved in the design education space as a consultant for many institutions.

She has Conferred with the Women Disruptors Life Time Achievement Award by Ad Gully and has been featured in two books; Sheroes amongst us, and Women and Money and also served on the Indian Design Council.

Currently an Independent Director on the Boards of Aditya Birla Fashion and Retail Limited, Aditya Birla Real Estate Limited, Aditya Birla Lifestyle Brands Limited, Novel Jewels Limited, Goodview Fashion Private Limited, Indivinity Clothing Retail Private Limited and Aditya Birla Renewables Limited.

**Re-appointed with effect from March 31, 2026 up to March 30, 2031*

MR. SUNIRMAL TALUKDAR

Independent Director

DIN: 00920608
Age: 74 years
Date of Appointment: March 11, 2020*
Term ending date: November 10, 2026
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies 1. Aditya Birla Lifestyle Brands Limited: Independent Director 2. Aditya Birla Real Estate Limited: Independent Director 3. Sasken Technologies Limited: Independent Director 4. Vodafone Idea Limited: Independent Director 5. Assam Carbon Products Limited: Independent Director
Directorship(s) held in other public companies: 7
Committee position held in other companies: Chairperson - 4 Member - 9
Area of expertise
General Management
Strategic Expertise
Corporate Governance, Legal & Compliance
Sustainability
Human Resource Development
Financial Literacy
Risk Management

Profile:

Mr. Sunirmal Talukdar is a Chartered Accountant from the Institute of Chartered Accountants of India and B.Sc. (Bachelor of Science) from St. Xavier's College, Calcutta University. Retired as Group Executive President and Chief Financial Officer of Hindalco Industries Limited in 2012.

He has over 3 decades of rich & comprehensive experience backed by benchmark competence in the areas of Strategic & Tactical Planning, Mergers & Acquisitions, Corporate Governance, Project Evaluation & Financing, Equity & Debt Syndication, Internal Control/Audit Compliance, Direct, Indirect & International Taxation, Organizational Restructuring etc.

**Re-appointed with effect from March 11, 2025 up to November 10, 2026.*

MR. VENKATESH SATYARAJ MYSORE

Independent Director
DIN: 01401447
Age: 67 years
Date of Appointment: October 13, 2024
Term ending date: October 12, 2029
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies: 1. Aditya Birla Lifestyle Brands Limited: Independent Director
Directorship(s) held in other public companies: 1
Committee position held in other companies: Chairperson - None Member - None
Area of expertise
Industry Knowledge
General Management
Strategic Expertise
Risk Management
Marketing
Financial Literacy
Corporate Governance, Legal & Compliance
Sustainability

Profile:

Mr. Venkatesh Mysore holds a Bachelor of Arts (BA) and an MBA in Marketing & Finance from the University of Madras, and brings extensive experience across sports management, entertainment, and financial services. Since 2010, he has been serving as the CEO of The Knight Riders Group and Red Chillies Entertainment, where he has led the global expansion of the Knight Riders franchise in T20 cricket across multiple leagues, including the Caribbean Premier League (CPL), Major League Cricket (MLC), and the UAE T20 League.

He oversees Red Chillies Entertainment, a full-fledged studio engaged in content production, marketing, distribution, and cutting-edge VFX work in Bollywood and international films.

He previously had a distinguished career in financial services, including leadership roles at MetLife in the US, Indonesia, Hong Kong, and India.

He played a key role in establishing MetLife India as its first CEO/MD and securing its license through collaboration with IRDA.

Later served as the India Country Head for Sun Life Financial of Canada, overseeing the Birla-Sun Life JV with ABG.

Currently Independent Directors on the Boards of Aditya Birla Fashion and Retail Limited, Aditya Birla Lifestyle Brands Limited, past chairmanship of AMCHAM Bangalore, and membership in YPO.

MR. YOGESH CHAUDHARY

Independent Director
DIN: 01040036
Age: 39 years
Date of Appointment: March 17, 2021*
Term ending date: March 16, 2031
Inter-se Relationship: No
Shareholding: Nil
Board Memberships - Other Indian listed companies: 1. Aditya Birla Lifestyle Brands Limited: Independent Director
Directorship(s) held in other public companies: 5
Committee position held in other companies: Chairperson - 3 Member - 5
Area of expertise
General Management
Technology, Digitisation & Innovation
Sustainability
Strategic Expertise
Risk Management
Industry Knowledge

Profile:

Mr. Yogesh Chaudhary is an experienced Entrepreneur and is a Director of Jaipur Rugs Company Limited, since last 20 years. Jaipur Rugs, makes handcrafted luxury carpets and have a Group Turnover of more than ₹ 1000 Crores. They export Carpets to more than 100 countries and have stores in global cities like Milan, Dubai, London, Singapore, Shanghai, Beijing and Samara.

Mr. Chaudhary has immense entrepreneurial abilities with perfect business approach and has deep knowledge of Retail Sector. He is also a part of the prestigious Entrepreneurs Organization (EO).

He is a Founding Partner of "Warmup Ventures", a founder's led sector agnostic technology focused Micro VC fund investing in seed and pre seed stages.

Currently Independent Director on the Boards of the Aditya Birla Fashion and Retail Limited, Aditya Birla Lifestyle Brands Limited, Goodview Fashion Private Limited and House of Masaba Lifestyle Private Limited.

**Re-appointed with effect from March 17, 2026 up to March 16, 2031*

Note:

1. *Directorship excludes this listed entity, foreign companies, private limited companies and Section 8 companies.*
2. *Chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of the SEBI Listing Regulations.*

Meetings held: FY 2025-26

The Company complied with all the procedures stipulated under the Act and rules made thereunder and Secretarial Standard -1 ("SS-1") issued by the Institute of Company Secretaries of India. During the year Board met 5 (Five) times on May 23, 2025, August 13, 2025, November 4, 2025, February 5, 2026 and March 24, 2026. The maximum interval between any two meetings held during the year did not exceed 120 days. The necessary quorum was present for all the Board meetings. All the Directors attended at least 1 out of the 5 Board meetings held during the reporting period, thus, adhering to the meeting attendance criteria as per Section 167(1)(b) of the Act.

Directors Details, their attendance at Board and Committee Meetings during the year, at the last Annual General Meeting ("AGM")

In terms of the provisions of Section 165 and 184 of the Act and Regulation 17A and 26 of the SEBI Listing Regulations, the Directors provide necessary disclosures regarding positions held by them on the Board and/or Committees of other public and/or private companies in the first Meeting of the Board every financial year and post change in such disclosures, from time to time. The said disclosures are placed before the Board in its next Meeting (post receipt of disclosures) for noting.

Following are details pertaining to Board of Directors of the Company including their attendance at Board and AGM during the year:

Sr. No	Name and DIN	No. of Board Meetings Attended	Whether attended last AGM (Sept 23, 2025)
1.	Mr. Kumar Mangalam Birla *(Non-Executive Director, Chairman)*	2 of 5	✓
2.	Ms. Ananyashree Birla *(Non-Executive Director)*	2 of 5	✓
3.	Mr. Aryaman Vikram Birla *(Non-Executive Director)*	5 of 5	✓
4.	Mr. Ashish Dikshit *(Managing Director)*	5 of 5	✓
5.	Ms. Sangeeta Tanwani *(Whole-time Director)*	4 of 5	✓
6.	Mr. Arun Adhikari *(Independent Director)*	5 of 5	✓
7.	Mr. Nish Bhutani *(Independent Director)*	5 of 5	✓
8.	Ms. Preeti Vyas *(Independent Director)*	5 of 5	✓
9.	Mr. Sunirmal Talukdar *(Independent Director)*	5 of 5	✓
10.	Mr. Yogesh Chaudhary *(Independent Director)*	5 of 5	✓
11.	Mr. Venkatesh Mysore *(Independent Director)*	5 of 5	✓
12.	Mr. Vikram Rao *(Independent Director) (up to September 9, 2025)*[1]	2 of 2	NA
13.	Mr. Pankaj Sood *(Non-Executive (Nominee) Director) (up to April 2, 2026)*[2]	5 of 5	✓
14.	Mr. Vishak Kumar (Whole-time Director) *(up to April 30, 2025)*[3]	NA	NA

Notes:

1. During the year under review, Mr. Vikram Rao, Independent Director of the Company, resigned w.e.f. closure of business hours on September 9, 2025, in order to pursue new opportunities and commitments within his vocational focus on business and leadership coaching. Mr. Rao also confirmed that there was no material reason for his resignation other than the above.
2. During current Financial Year, Mr. Pankaj Sood ceased to be Non-Executive (Nominee) Director of the Company, w.e.f., April 2, 2026, due to increase in his professional responsibilities and commitments, requiring significantly more time.
3. Consequent to effectiveness of the scheme of arrangement between the Company and Aditya Birla Lifestyle Brands Limited ("ABLBL") w.e.f. May 1, 2025, directorship of Mr. Vishak Kumar in the Company stands relinquished from April 30, 2025.

Basis the disclosures received from the Directors as on March 31, 2026, it is confirmed that none of the directors:

(a) is on the Board of more than:

  i. 20 (twenty) companies;

  ii. 10 (ten) public limited companies;

  iii. 7 (seven) listed entities;

(b) is a member in more than 10 (ten) Audit and/or Stakeholders Relationship Committees, across all public limited companies (including deemed public) and

(c) is a chairperson of more than 5 (five) Audit and/or Stakeholders Relationship Committees, across all public limited companies (including deemed public).

Appointment and tenure

All the Directors of the Company are appointed/re-appointed by the Shareholders on the basis of recommendations of the Nomination and Remuneration Committee and Board.

Executive Directors:

The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of the Board and Shareholders approval. They are appointed by the Shareholders for a period of five years but can be re-appointed on completion of the term, if eligible. Either party may terminate their employment by giving three months' notice.

Non-Executive Directors (other than Independent Directors):

As per the Articles of Association of the Company, at least two-third of the Board members shall be retiring Directors, excluding Independent Directors. One-third of such Directors are required to retire every year and if eligible, the retiring Directors qualify for re-appointment.

Independent Directors:

As trustees of Shareholders, Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, controls and business performance.

All Independent Directors on the Board are Non-Executive Directors as defined under Regulation 16 of the SEBI Listing Regulations. Independent Directors may hold office for upto two consecutive terms of five years. As regards the appointment and tenure of the Independent Directors, the Company has complied with the provisions of the Act and the SEBI Listing Regulations. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

Further, in opinion of the Board, the Independent Directors fulfil the conditions specified in Regulation 16 and 25 of the SEBI Listing Regulations and are independent of the management.

The Independent Directors on the Board of your Company are experienced, competent and highly respected individuals in their respective fields, which brings an ideal mixture of expertise, professionalism, knowledge and experience to the table.

Separate meeting of Independent Directors:

Pursuant to Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, the Independent Directors met once during the year i.e., on February 16, 2026, without the presence of Non-Independent Directors, Executive Directors or management representatives. The Independent Directors *inter alia* discussed the performance of the Board, Non-Independent Directors and the management of the Company and assessed the quality, quantity and timeliness of flow of necessary information between the management and the Board, required for the Board to effectively and reasonably perform its duties.

Evaluation criteria for Independent Directors:

The performance of the Independent Directors of the Company is evaluated on the criteria more particularly as to how a Director:

i. invests time in understanding the Company and its unique requirements;

ii. brings in external knowledge and perspective to the table for discussions at the meetings;

iii. expresses his/her views on the issues discussed at the Board and

iv. keeps himself/herself current on areas and issues that are likely to be discussed at the Board level.

Pursuant to the amendment in the SEBI Listing Regulations, in addition to the above criteria the evaluation criteria for Independent Directors also include fulfilment of the independence criteria as specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and their independence from the management.

Board Evaluation

An evaluation mechanism is carried out among the Board, its Committees, individual members and Chairman based on various criteria as per the provisions of the Act, SEBI Listing Regulations and Company's framework adopted by the Nomination and Remuneration Committee and approved by Board.

Board Induction, Training and Familiarisation

In terms of the provisions of Regulation 25 of the SEBI Listing Regulations, your Company has framed a Familiarisation Programme for Independent Directors of the Company, structured into two parts i.e., 'Induction' and 'Ongoing interaction'. This Programme aims to provide insights into the business of the Company, to enable the Independent Directors to understand their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, its business in depth and contribute significantly to the Company.

By way of an introduction/induction to the Company, presentations are also made to the newly appointed Independent Director (including Non-Executive Directors) on relevant information of the Company.

Formal letters of appointment have been duly issued to the Independent Directors.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/Committee(s), presentations are regularly made to the Independent Directors on various matters *inter alia* covering the Company's businesses and operations, strategy, risk management framework, industry and regulatory updates and other relevant matters.

The details of the 'Familiarisation Programmes for Independent Directors' are also available on the website of the Company i.e., https://www.abfrl.com/wp-content/uploads/2023/10/10.-FAMILIARISATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-.pdf

The Board Committees ("The Committees")

The Committees play a crucial role in the governance structure of the Company. The Committees are formed with the approval of the Board and function under their respective terms of references framed in accordance with the Act and the SEBI Listing Regulations.

The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. Each Committee demonstrates highest levels of governance standards and has the requisite expertise to handle issues relevant to their fields. These Committees devote time and provide focussed attention to various issues placed before them. The guidance provided by these Committees lend immense value and support, enhancing the efficiency of the decision-making process of the Board. The Board reviews the functioning of these Committees from time to time.

Mr. Ashish Dikshit, Managing Director of your Company, is a Permanent Invitee of the Committees (in which he is not a member). The Company Secretary of the Company, acts as the Secretary to all the Committees.

Board Committees' Composition:

1. Audit Committee

The Audit Committee ("AC") comprises of 3 Independent Directors. The composition of the AC complies with the requirements of the SEBI Listing Regulations and the Act. Your Company has a qualified and independent AC, which acts as an interface between the statutory and internal auditors, the management and the Board. All the members of the AC have the ability to read and understand the financial statements. The Chairperson of the AC possesses professional qualifications in the field of Finance and Accounting.

The scope of the AC has been defined by the Board of Directors in accordance with Regulation 18 and Part C of Schedule II of the SEBI Listing Regulations and applicable provisions of the Act.

This Committee, *inter-alia*, recommends appointment and remuneration of statutory auditors , internal auditors, reviews Company's financial reporting processes & systems and internal financial controls, financial and risk management policies, related party transactions, significant transactions and arrangements entered into by unlisted subsidiaries, review of inter-corporate loans and investments, Company's financial statements, including annual and quarterly financial results and financial accounting practices & policies, reviews the functioning of the whistle blower mechanism and complaints received under the Whistle – Blower Policy of the Company and monitors and supervises annual compliances under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The complete Terms of Reference of the AC are available on the Company's website, i.e., www.abfrl.com

During the year 7 (Seven) AC meetings were held on May 23, 2025; August 13, 2025; November 4, 2025; December 1, 2025; February 5, 2026; March 19, 2026 and March 24, 2026.

The details of composition and attendance of the members at the AC meetings held during the financial year ended March 31, 2026 are as given below:

Name of Members	Category	Nature of Membership	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Sunirmal Talukdar	Independent		7	7
Mr. Nish Bhutani	Independent		7	7
Mr. Arun Adhikari	Independent		7	7

Chairperson | Member

2. Stakeholders Relationship Committee:

The Stakeholders' Relationship Committee (''SRC'') comprises of 2 Independent Directors and 1 Executive Director. The composition of the SRC complies with the requirements of the SEBI Listing Regulations and the Act.

The scope of the SRC has been defined by the Board of Directors in accordance with the provisions of the Regulation 20 and part D of Schedule II to the SEBI Listing Regulations.

Key responsibilities of this Committee, inter-alia, include formulation of procedures, in line with statutory guidelines, to ensure prompt redressal of grievances of security holders and debenture holders, including issues relating to transfer/ transmission of shares, non-receipt of dividends, annual reports and other communications, and matters concerning debentures such as payment obligations, creation of charge and maintenance of security cover. The Committee also reviews measures to facilitate effective exercise of voting rights by Shareholders, monitors adherence to service standards by the Registrar and Share Transfer Agent, and oversees initiatives aimed at reducing unclaimed dividends and ensuring timely and efficient investor services.

The complete Terms of Reference of the SRC are available on the Company's website, i.e., www.abfrl.com

Mr. Rajeev Agrawal, Company Secretary, being the Compliance Officer of your Company, is responsible for the redressal of grievances of the Shareholders, debenture holders and other security holders.

Shareholders' Complaints

The number of Shareholders' complaints received and resolved as on March 31, 2026 is given in the 'Shareholders' Information' section, which forms an integral part of this Integrated Annual Report.

During the year, 1 (one) SRC meeting was held on November 4, 2025.

The details of composition and attendance of the members at the SRC meeting held during the financial year ended March 31, 2026 are as given below:

Name of Members	Category	Nature of Membership	No. of Meetings held during tenure	No. of Meetings Attended
Ms. Preeti Vyas**	Independent		1	1
Mr. Yogesh Chaudhary	Independent		1	1
Mr. Ashish Dikshit	Executive		1	1
Mr. Vikram Rao*	Independent		-	-

* Chairperson of SRC up to September 9, 2025.

**Appointed as a Chairperson of SRC w.e.f. September 10, 2025.

Chairperson | Member

3. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee ("NRC") comprises of 3 Independent Directors and 1 Non-Executive Director. The composition of the NRC complies with the requirements of the SEBI Listing Regulations and the Act.

The scope of the NRC has been defined by the Board of Directors in accordance with Regulation 19 and Part D of Schedule II to the SEBI Listing Regulations and applicable provisions of the Act.

Key responsibilities of this Committee, inter-alia, include formulation of criteria for determining qualifications, positive attributes and independence of directors, and recommending policies relating to remuneration of directors, key managerial personnel and senior management. The Committee identifies and recommends suitable candidates for appointment to the Board and senior management, evaluates the skills, knowledge and experience required for independent directors, and oversees their performance evaluation and continuation of tenure. It also formulates criteria for performance evaluation of the Board, promotes diversity on the Board, and recommends remuneration payable to senior management.

The complete Terms of Reference of the NRC are available on the Company's website, i.e., www.abfrl.com

During the year 5 (five) NRC meetings were held on May 23, 2025; August 13, 2025; November 4, 2025; February 5, 2026 and March 24, 2026.

The details of composition and attendance of the members at the NRC meetings held during the financial year ended March 31, 2026 are as given below:

Name of Members	Category	Nature of Membership	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Arun Adhikari	Independent		5	5
Mr. Kumar Mangalam Birla	Non-Executive		5	1
Mr. Sunirmal Talukdar	Independent		5	5
Mr. Nish Bhutani	Independent		5	5

Chairperson | Member

4. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee ("CSRC") comprises of 3 Independent Directors and 1 Executive Director. The Composition of the CSRC complies with the requirements of the Act.

The CSRC recommends to the Board the CSR activities to be undertaken during the year and the amount to be spent on these activities and monitor its progress. The CSR Report forms an integral part of this Integrated Annual Report.

In terms of the applicable provisions of Section 135 read with Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSRC is inter alia entrusted with the responsibility of monitoring and implementing the CSR projects/programmes/activities of your Company.

During the year 1 (One) CSRC meeting was held on May 7, 2025.

The details of composition and attendance of the members at the CSRC meeting held during the financial year ended March 31, 2026 are as given below:

Name of Members	Category	Nature of Membership	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Ashish Dikshit	Executive		1	1
Mr. Nish Bhutani	Independent		1	1
Mr. Yogesh Chaudhary	Independent		1	1
Ms. Preeti Vyas	Independent		1	0

Chairperson | Member

5. Risk Management and Sustainability Committee:

The Risk Management and Sustainability Committee (''RMSC'') comprises of 2 Independent Directors and 1 Executive Director of the Company. The Composition of RMSC complies with the requirements of the SEBI Listing Regulations.

Since your Company is in the retail industry, it is prone to inherent business risks. Your Company has in place a Risk Management Policy that covers the inherent business risks and appropriate measures to be taken, to manage uncertainty, changes in the internal and external environment to limit negative impacts and capitalise on opportunities along with minimisation of identifiable risks by the Company.

The composition, quorum, powers, role and scope of the RMSC are in accordance with the applicable provisions of the Act and Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations.

Key responsibilities of this Committee, inter-alia, include formulation and oversight of a comprehensive risk management policy covering identification, assessment and mitigation of key risks, establishment of effective systems, controls and a business continuity plan, and periodic review of the risk framework. The Committee also monitors implementation, keeps the Board informed of key risk matters, and reviews the appointment and remuneration of the Chief Risk Officer, if any.

Business risk evaluation and its management is an on-going process within the Company. The RMSC is inter alia entrusted with the responsibility of monitoring and reviewing the risk management plan, sustainability and the cyber security of the Company and such other functions as may be delegated by the Board from time to time.

The complete Terms of Reference of the RMSC are available on the Company's website, i.e., www.abfrl.com.

During the year 2 (Two) Meetings of RMSC were held on July 29, 2025 and January 21, 2026.

The details of composition and attendance of the members at the RMSC meetings held during the financial year ended March 31, 2026 are as given below:

Name of Members	Category	Nature of Membership	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Sunirmal Talukdar	Independent		2	2
Mr. Ashish Dikshit**	Executive		1	1
Mr. Yogesh Chaudhary	Independent		2	2
Mr. Vikram Rao*	Independent		1	1

*Member of RMSC up to September 9, 2025.

**Appointed as a Member of RMSC w.e.f. September 10, 2025.

Chairperson | Member

Business risk evaluation and its management is an on-going process within the Company. The RMSC is *inter alia* entrusted with the responsibility of monitoring and reviewing the risk management plan, sustainability and the cyber security of the Company and such other functions as may be delegated by the Board from time to time.

Board/Committee Meeting Procedure

The Board/Committee meetings are convened at regular intervals to deliberate on matters pertaining to the Company's strategic direction, policy framework and other key business matters. In addition to the scheduled quarterly meetings, the Board/Committee meets as necessary to address specific operational or strategic requirements. In situations necessitating urgent decision-making, approvals are obtained through resolutions passed by circulation in accordance with Act, which are noted and confirmed in the subsequent Board Meeting.

Annual approval has been taken from the Board for circulating agenda items with shorter notice for matters that are in the nature of Unpublished Price Sensitive Information ("UPSI") in terms of the requirements of Secretarial Standards ("SS-1") on meeting of the Board of Directors issued by The Institute of Company Secretaries of India ("ICSI").

The chairperson of respective board committee briefs the Board on key matters discussed during its meetings, including recommendations and approvals. The agenda for the Board meetings is finalised by the Company Secretary in consultation with the Chairman, Managing Director and Chairperson of Committees. The Agenda of Board/Committee meetings is circulated to the Board Members/ Committee members as per the timeline prescribed under the Act, SEBI Listing Regulations, SS-1 and other applicable provisions. The agenda is accompanied by detailed explanatory notes on the matters to be discussed, thereby facilitating informed decision-making by the Directors.

The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Schedule II of Regulation 17 of the SEBI Listing Regulations.

The business deliberated and considered at the meetings of the Board generally include:

a. quarterly and annual financial results;

b. performance of the business including review of subsidiaries performance;

c. development and approval of overall business strategy;

d. review of the functioning of the Committees;

e. other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations; and

f. such other matters as required under the Act, the SEBI Listing Regulations and other applicable laws.

The Board/ Committee meetings are held in person or through the Video-conferencing facility (to enable the directors travelling abroad or present at other locations to be able to participate in the meetings). Such meetings, if conducted physically, are convened generally in Mumbai.

The Chief Financial Officer and Senior Management Personnel of the Company are invited to participate in meetings of the Board and its Committees, as when necessary for smooth functioning of meeting. In addition, representatives of the Statutory Auditors and Internal Auditors of your Company are also invited to the relevant Committee meetings for providing such information as may be necessary.

Your Company has provided an avenue to the Statutory Auditors to have a separate discussion with the Chairperson and members of the Audit Committee without the presence of executives, prior to declaration of the financial results.

Remuneration:

In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, your Company has a Nomination Policy in place, which inter alia enumerates the appointment of directors, KMPs and senior management. Further, the Company also has an Executive Remuneration Policy, which indicates the remuneration philosophy covering the directors, KMPs, Senior Management and other employees of the Company.

Both the aforesaid policies, as amended from time to time, are available on the website of the Company i.e., www.abfrl.com.

The Policies and the Nomination & Remuneration Charter broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive Directors (comprises of salary, allowances, perquisites, stock options, performance linked income/ bonus and other retirement benefit funds, as may be approved by the members of the Company), KMPs and Senior Management. Further, the Company has in place a system where all the Directors, KMPs and Senior Management of the Company are required to disclose all pecuniary relationships or transactions with the Company. Also, the Company does not pay any severance fees to its Directors.

Sitting fees to the Non-Executive Directors and Independent Directors has been recommended by the Nomination and Remuneration Committee and approved by the Board.

Annual increments to Executive Directors are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The performance review system is primarily based on competencies and values. The Company closely monitors growth and development of top talent in the Company to align personal aspirations with the organisational goals and objectives.

Also, your Company has a policy of not advancing any loans to its Directors, except to the Executive Directors, in the normal course of employment.

Your Company does not have any pecuniary relationship with any of the Non-Executive Directors, except as disclosed in Note no. 46 of Standalone Financial Statements forming part of this Integrated Annual Report, in accordance with the applicable laws and they do not hold any convertible instruments in the Company.

Further, requisite disclosure with respect to the details of fixed component and performance linked incentive, in terms of the provisions of Part C of the Schedule V of the SEBI Listing Regulations and in terms of the provisions of sub-clause (IV) of the second proviso to clause (B) of Section II of Part - II of Schedule V of the Act are given below.

Details of Remuneration for the financial year 2025-26:

Non-Executive Director ("NED"):

(₹ in Lakhs)

Name of Directors	Category	Sitting Fees[1]
Mr. Kumar Mangalam Birla	Non – Executive Director, Chairman	1.90
Ms. Ananyashree Birla	Non – Executive Director	1.50
Mr. Aryaman Vikram Birla	Non – Executive Director	3.75
Mr. Arun Adhikari	Independent Director	10.50
Mr. Nish Bhutani	Independent Director	9.65
Ms. Preeti Vyas	Independent Director	4.15
Mr. Sunirmal Talukdar	Independent Director	10.05
Mr. Vikram Rao (Up to September 9, 2025)	Independent Director	1.90
Mr. Yogesh Chaudhary	Independent Director	5.35
Mr. Venkatesh Mysore	Independent Director	3.75
Mr. Pankaj Sood (Up to April 2, 2026)	Non-Executive (Nominee) Director	-

[1] *Includes gross amount of sitting fees paid for attending both Board and Committee Meetings during FY26.*

Executive Directors ("ED")

(₹ in crore)

Directors	Category	Salary, Benefits, Bonus, Pension, etc.	Performance linked Incentive paid during the Year	Perquisite value of stock options/RSUs exercised during the year	Total
Mr. Ashish Dikshit[(1)]	Managing Director	6.91	4.22	1.86	12.99
Ms. Sangeeta Tanwani	Whole-time Director	5.24	2.48	-	7.72
Mr. Vishak Kumar[(2)]	Whole-time Director	0.50	0.26	-	0.72

Notes:

1. This figure represents total remuneration received by Mr. Ashish Dikshit out of which proportionate remuneration has been reimbursed by Aditya Birla Lifestyle Brands Limited pursuant to the approval of members of the Company.
2. Consequent to effectiveness of the scheme of arrangement between the Company and Aditya Birla Lifestyle Brands Limited ("ABLBL") w.e.f. May 1, 2025, Mr. Vishak Kumar, a Whole-time Director ("WTD") who was an employee of the Company has been transferred to ABLBL and accordingly, his position as WTD stands relinquished in the Company from closure of business hours of April 30, 2025. Accordingly, he has been paid remuneration by the Company till April 30, 2025.
3. In terms of ABFRL ESOP Scheme 2025, Mr. Ashish Dikshit has been granted 3,67,956 options and 97,009 PSUs and Ms. Sangeeta Tanwani has been granted 3,77,391 options and 99,496 PSUs during the Financial Year 2025-26. 1/3rd of the Options granted would vest each year, over a period of 3 years, beginning with the 1st year from the grant date. 100% of the PSUs granted would vest at the end of the 3rd year from the grant date.
4. In terms of ABFRL ESOP Scheme 2019, during Financial Year 2025-26, 1,02,622 options and 54,563 RSUs have vested in Mr. Ashish Dikshit and 67,170 options and 35,714 RSUs have been vested in Ms. Sangeeta Tanwani.

GENERAL BODY MEETINGS

Annual General Meetings ("AGM"):

The 18th AGM of the Company was held on September 23, 2025 via Video-conferencing ("VC"), in terms of various circulars issued by Ministri of Corporate Affairs permitting holding of AGM through VC without physical presence of Members at a common venue.

The respective Chairpersons of the Committees of the Board i.e., AC and RMSC (Mr. Sunirmal Talukdar), NRC (Mr. Arun Adhikari), SRC (Ms. Preeti Vyas) and CSRC (Mr. Ashish Dikshit), were present at the AGM, to answer the queries of the members of the Company. Details of attendance of Directors at the AGM forms part of this report.

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:

Financial Year	Date and Time	Special Resolutions passed	Venue
2022-2023	September 28, 2023 at 3:00 p.m.	I. Remuneration for Ms. Sangeeta Tanwani, Whole-time Director. II. Remuneration for Mr. Vishak Kumar, Whole-time Director. III. Alteration of Articles of Association of Company.	All the AGM were Conducted through VC.
2023-2024	September 19, 2024 at 4:00 p.m.	I. Appointment of Mr. Venkatesh Satyaraj Mysore as an Independent Director. II. Issuance of securities up to an aggregate amount of ~ ₹ 2,500 Crore.	
2024-2025	September 23, 2025 at 3:00 p.m.	I. Re-appointment of Ms. Sangeeta Tanwani (DIN:03321646) as the Whole-time Director of the Company. II. Fixing remuneration limits of Mr. Ashish Dikshit (DIN: 01842066), Managing Director. III. To approve adoption of "Aditya Birla Fashion and Retail Limited Employee Stock Option and Performance Stock Unit Scheme 2025". IV. To approve extending the benefits of the "Aditya Birla Fashion and Retail Limited Employee Stock Option and Performance Stock Unit Scheme 2025" to the employees of the subsidiary company(ies) of the Company.	

Postal Ballot

During the year under review, the Company has passed Special Resolutions through Postal Ballot ("PB") in compliance with Sections 108 and 110 of the Companies Act, 2013, read along with the Companies (Management and Administration) Rules

2014, the SEBI Listing Regulations (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and applicable provisions of the circulars issued by the MCA from time to time, for the proposals mentioned hereunder:

Sr. No.	Special Resolution passed	Date of PB notice	Approval Date	Total Shares	No. of votes polled	Voting Pattern		
1.	Re-appointment of Mr. Nish Bhutani (DIN: 03035271) as an Independent Director:	April 15, 2025	May 16, 2025	1,21,58,78,152	78,39,20,528	**Particulars**	**Numbers**	**Percentage**
						Votes in Favour	76,97,07,591	98.18
						Votes Against	1,42,12,937	1.82
2.	Re-appointment of Mr. Arun Kumar Adhikari (DIN: 00591057) as an Independent Director:	February 5, 2026	March 10, 2026	1,21,63,86,432	85,06,44,443	**Particulars**	**Numbers**	**Percentage**
						Votes in Favour	81,48,48,085	95.79
						Votes Against	3,57,96,358	4.21
3.	Re-appointment of Ms. Preeti Vyas (DIN: 02352395) as an Independent Director:			1,21,63,86,432	85,06,44,443	**Particulars**	**Numbers**	**Percentage**
						Votes in Favour	81,58,94,738	95.91
						Votes Against	3,47,49,705	4.09
4.	Re-appointment of Mr. Yogesh Chaudhary (DIN: 01040036) as an Independent Director:			1,21,63,86,432	85,06,44,173	**Particulars**	**Numbers**	**Percentage**
						Votes in Favour	84,99,23,177	99.92
						Votes Against	7,20,996	0.08

No special resolution is currently proposed to be conducted through postal ballot.

Scrutinizer appointed for Postal Ballot:

The Board of Directors of the Company had appointed Mr. Dilip Bharadiya, (FCS 7956 & C.P. No. 6740) and failing him Ms. Shivangini Gohel (ACS 25740 & C.P. No. 9205), Partners of M/s. Dilip Bharadiya & Associates, Company Secretaries, as the Scrutinizer to scrutinize the Postal Ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

KEY MANAGERIAL PERSONNEL ("KMP")

Particulars of KMPs including changes therein since the close of the previous Financial year:

Sr. No.	Name	Designation
1.	Mr. Ashish Dikshit	Managing Director
2.	Ms. Sangeeta Tanwani	Whole-time Director
3.	Mr. Vishal Kumar	Whole-time Director *(Up to April 30, 2025)*
3.	Mr. Jagdish Bajaj	Chief Financial Officer
4.	Mr. Anil Malik	Company Secretary & Compliance Officer *(Up to November 30, 2025)*
5.	Mr. Rajeev Agrawal	Company Secretary & Compliance Officer *(W.e.f. December 1, 2025)*

SENIOR MANAGEMENT PERSONNEL ("SMP")

Particulars of SMPs including changes therein since the close of the previous Financial year:

Sr. No.	Name	Designation
1	Ms. Shobha Ratna Tanniru	Chief Human Resource Officer
2	Mr. Praveen Shrikhande	Chief Digital and Information Technology Officer
3	Dr. Naresh Tyagi	Chief Sustainability Officer
4	Mr. Swaminathan Ramachandran	Chief Supply Chain Officer
5	Mr. Sathyajit Radhakrishnan	CEO - International Brands
6	Mr. Sooraj Bhat (Change in role w.e.f May 1, 2026)	CEO - Preminum Ethnic Brands
7	Mr. Suraj Bahirwani (appointed w.e.f. April 1, 2026)	CEO (Designate) - Pantaloons
8	Mr. Marco Agnolin (appointed w.e.f. April 6, 2026)	CEO - OWND!
9	Mr. Nikhil Modha (appointed w.e.f. April 1, 2026)	Chief Financial Officer (Designate)
10	Mr. Anant Daga (Up to April 30, 2026)	CEO - TCNS Division

MEANS OF COMMUNICATION

Quarterly Financial Results	The quarterly financial results of the Company are published within the stipulated timeline, in:	
	a. All Editions - 1 English language national daily newspaper i.e. "The Business Standard" or "The Financial Express" and	
	b. Maharashtra Edition- Regional language daily newspapers i.e., "Navshakti"	
Press Release and Earning Call	**Press Release**	**Earning Call**
	The Press Release of Quarterly Results and key events are disseminated to the Stock Exchanges and uploaded on the Company's website.	The Company organises earnings conference call with analysts and investors after the announcement of financial results. The audio recording and transcript of the earnings call are uploaded on the Company's website as well as filed with the stock exchanges.
Dissemination of corporate announcements, material information and updates	The Company disseminates the requisite corporate announcements including the SEBI Listing Regulations compliances, shareholding pattern, corporate governance report, financial results, material information, etc., electronically through designated electronic portals of the Stock Exchanges which includes the following:	
	a. NSE - NSE Electronic Application Processing System (NEAPS) and	
	b. BSE - BSE Listing Centre	
	All periodical compliance filings are made electronically on such portals.	
Company Website	A separate dedicated section 'Investors' is maintained on the website of the Company for ease of the shareholders. The information required to be disseminated by the Company in terms of Regulation 46 and 30 of the SEBI Listing Regulations are uploaded on the website of the Company. These include, more particularly, the following:	
	a. Quarterly financial results and annual financial statements;	
	b. Investor presentations, press releases, earnings call transcripts;	
	c. Details of corporate governance policies, Board committee charters and	
	d. Other quarterly filings and Stock Exchange disclosures.	
Designated email ID	The Company has below mentioned designated e-mail id for investor relations and shareholders assistance: a. investor.relations@abfrl.adityabirla.com b. secretarial@abfrl.adityabirla.com	

GENERAL SHAREHOLDER INFORMATION

Your Company has provided the details required under this as a separate section on 'General Shareholder Information', which forms a part of this Integrated Annual Report.

OTHER AFFIRMATIONS AND DISCLOSURES

a. No material transaction has been entered into by your Company with the promoters, directors or the management or relatives, etc. that may have a potential conflict with interests of the Company.

b. Compliance with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the SEBI Listing Regulations:

c. There were no material significant Related Party Transaction ("RPTs") that had/ may have potential conflict with the interests of the Company at large.

d. The Company has complied with all applicable provisions of the SEBI Listing Regulations and all other applicable regulations and guidelines issued by SEBI and stock exchanges; no penalties or strictures are imposed on your Company by SEBI or the stock exchanges or any statutory authority on any matter related to the capital markets during the last 3 years.

e. The Company or its subsidiaries do not have Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.

f. Material Subsidiaries – Policy

The Company does not have any Material Subsidiary as on date of this Report. Link for the Material Subsidiary policy for determining is https://www.abfrl.com/wp-content/uploads/2023/10/11.-POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-.pdf

g. Shareholders' complaints for the FY 2025-26

During the year under review, the Company received a total of 21 complaints from shareholders. The Company addressed and resolved all investor complaints received during the period.

h. Vigil Mechanism/ Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee ("AC")

Your Company has established a robust Vigil Mechanism, which is implemented through its Whistle Blower Policy, to enable Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violations of the Company's Code of Conduct.

The AC reviews the whistle blower cases reported in the Aditya Birla Group's internal hotline number on periodic basis. Further, the Company has put in place all adequate systems all employees have access to the Company Secretary & Compliance Officer, Chief Human Resources Officer and / or the AC, including Chairperson thereto, for reporting any such anomalies in connection with vigil mechanism/ whistle blower complaints, thereby upholding transparency and accountability at all levels of the organization.

Further, the Company has also established various procedures for adequate redressal mechanisms to monitor such reported cases. Further, basis the above, the Statutory Auditors present a perspective on the Company's fraud risk structure quarterly to the AC.

Basis the review of the AC, the Board affirms that the Vigil Mechanism of the Company is functioning effectively and continues to reinforce our commitment to the highest standards of integrity and ethical conduct.

The mechanism provides a secure and confidential platform for employees and stakeholders to report concerns regarding unethical behaviour, actual or suspected fraud or any violation of the Company's Code of Conduct or Ethics Policy and ensures that adequate safeguards are in place to protect whistle blowers from any form of retaliation or victimization.

The whistle-blower policy is available on your Company's website https://www.abfrl.com/wp-content/uploads/2025/03/WHISTLE-BLOWER-POLICY.pdf

i. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance.

In addition to the above, your Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of the SEBI Listing Regulations, to the extent applicable:

(i) Modified opinion(s) in Audit Report: Company's financial statements have unmodified audit opinions.

(ii) Reporting of Internal Auditor: The report of the internal auditors is reviewed by the Audit Committee bi-annually.

j. Commodity price risk and commodity hedging activities:

Your Company does not engage in commodity hedging activities.

k. Certificate from Practicing Company Secretary regarding Non-Debarment and Non-Disqualification of Directors

A certificate from M/s. BNP & Associates, Company Secretaries has been obtained, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of a Company by SEBI and MCA or any other statutory authority and accordingly the same forms part of this report as **Annexure A**.

l. Details of recommendation of any Committee of the Board not accepted by the Board and reasons thereof

During the year under review, the Board of your Company has accepted all the recommendations made by its Committee(s), from time to time.

m. Total fees paid, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part

During the financial year 2025-26, Price Waterhouse & Co Chartered Accountants LLP (PW & Co.), Statutory Auditor of the Company has been paid total fees of ₹ 3.60 Crore by the Company and all the entities in the network firm/network entity of which statutory auditors is a part, for the services provided by them during the year under review. The segregation of which is mentioned below:

(₹ Crore)

Sr. no.	Firm Name	By Company	By Subsidiary	Total
1	Price Waterhouse & Co Chartered Accountants LLP	2.02	1.58	3.60
	Total	**2.02**	**1.58**	**3.60**

Note:

a) An amount of ₹ 0.77 crore has been paid to the statutory auditors of subsidiary companies other than PW & Co., and is not included in aggregate amount of ₹ 3.60 crore paid to PW & Co.

b) The above amount of ₹ 3.60 crore includes ₹ 0.73 crore paid to the auditors for certification services rendered to the Company and its subsidiary, and ₹ 0.30 crore towards out-of-pocket expenses.

n. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has adopted 'Policy for Prevention of Sexual Harassment at Workplace' ("POSH") on a company-wide level to ensure the respect and dignity of all its employees. POSH is applicable not only to employees but also to third parties or clients and vendors of the Company.

The details of complaints related to sexual harassment, during the financial year 2025-26:

Sr. no.	Particulars	Pending as on March 31, 2025	Received during the year	Disposed off during the year	Pending as on March 31, 2026
1	Employees (On roll)	2	1	3	0
2	Others (Off roll/3rd party)	1	12	11	2
	Total	**3**	**13**	**14**	**2**

o. Disclosure of accounting treatment

The Company has followed all applicable accounting standards while preparing the financial statements.

OTHER POLICIES AND CODES OF THE COMPANY

Your Company has various policies and codes, duly adopted pursuant to the approval of the Board and the same are periodically reviewed by the Board, to incorporate any changes required either in terms of the business of the Company or pursuant to the amendment in the applicable Acts and Regulations including but not limited to the Act and the SEBI Listing Regulations. Web Link details of the policies and codes adopted by the Company are as under:

Name of Policy	Website Link
Corporate Social Responsibility Policy	https://www.abfrl.com/wp-content/uploads/2025/03/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf
Related Party Transaction Policy	https://www.abfrl.com/wp-content/uploads/2023/10/9.-RELATED-PARTY-TRANSACTION-POLICY-.pdf
Policy for Determining of Material Subsidiary Companies	https://www.abfrl.com/wp-content/uploads/2023/10/11.-POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARY-.pdf
Policy for determination of materiality of information or event	https://www.abfrl.com/wp-content/uploads/2023/10/16.-POLICY-FOR-DETERMINATION-OF-MATERIALITY-OF-INFORMATION-OR-EVENT-.pdf
Policy for archival of documents	https://www.abfrl.com/wp-content/uploads/2024/06/Policy-for-Archival-of-Documents.pdf
Policy on preservation of documents	https://www.abfrl.com/wp-content/uploads/2023/10/5.-POLICY-ON-PRESERVATION-OF-DOCUMENTS-.pdf
Code of practices and procedures for fair disclosure of unpublished price sensitive information	https://www.abfrl.com/wp-content/uploads/2023/10/1.-CODE-OF-PRACTICE-AND-PROCEDURES-FOR-FAIR-DISCLOSURE-OF-UNPUBLISHED-PRICE-SENSITIVE-INFORMATION-.pdf
Code of Conduct for Board of Directors and Senior Management	https://www.abfrl.com/wp-content/uploads/2026/04/9.-Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-of-Aditya-Birla-Fashion-and-Retail-Limited.pdf
Dividend Distribution Policy	https://www.abfrl.com/wp-content/uploads/2023/10/14.-DIVIDEND-DISTRIBUTION-POLICY-.pdf

Your Company also has a 'Code of Conduct to regulate, monitor and report trading by Designated Persons in listed or proposed to be listed Securities of Aditya Birla Fashion and Retail Limited' which is followed by designated persons for dealing in securities of the Company.

SUBSIDIARY COMPANY

The Audit Committee and Board of Directors of the Company review the financial statements and investments made, if any, on quarterly basis and also the annual financial statements of subsidiaries and associate which are duly consolidated with annual financial statements of the Company. The Board of Directors of the Company also reviews minutes of the Board Meetings of all subsidiaries.

Details of the Subsidiaries and Associate Companies are forming part of the 'Directors' Report' of this Integrated Annual Report.

CEO/CFO CERTIFICATION

As required under the provisions of Regulation 33 of the SEBI Listing Regulations, Mr. Ashish Dikshit, Managing Director and Mr. Jagdish Bajaj, Chief Financial Officer have reviewed the Audited Financial Statements and Cash Flow Statement for the financial year ended March 31, 2026 and accordingly have provided a Certificate, which is enclosed separately at the end of this Report as **Annexure B**.

CODE OF CONDUCT

The Board of Directors has laid down a 'Code of Conduct for the Board Members and Senior Management' of your Company. All Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct, which is enclosed separately at the end of this Report as **Annexure C.**

REPORT ON CORPORATE GOVERNANCE

As required under Regulation 27 of the SEBI Listing Regulations, your Company has been duly submitting the quarterly compliance report in the prescribed format and within the required timelines to the stock exchanges and the same are available on their websites. The said reports are also available on the website of the Company i.e., www.abfrl.com.

The compliance certificate received from M/s. BNP & Associates (FRN: P2014MH037400), Practicing Company Secretaries regarding compliance of corporate governance requirements forms part of **Annexure VI** to the Board's Report.

Annexure A

CERTIFICATE FROM PRACTICING COMPANY SECRETARY W.R.T. CONFIRMATION OF DIRECTORS' NON-DISQUALIFICATION

To,
The Members,
Aditya Birla Fashion and Retail Limited
Piramal Agastya Corporate Park,
Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road,
Kurla, Mumbai – 400070

We, BNP & Associates have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Aditya Birla Fashion and Retail Limited bearing CIN: L18101MH2007PLC233901 and having its Registered Office at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai – 400070 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of Ministry of Corporate Affairs Government of India ("MCA") www.mca.gov.in) as considered necessary and pursuant to explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ended March 31, 2026, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Regulatory Authority(ies).

Sr. No	DIN	Name of the Directors	Designation	Date of Appointment in Company (DD/MM/YYYY)
1.	00012813	Mr. Kumar Mangalam Birla	Non-Executive - Non-Independent Director	24/02/2021
2.	08456879	Mr. Aryaman Vikram Birla	Non-Executive - Non-Independent Director	30/01/2023
3.	06625036	Ms. Ananyashree Birla	Non-Executive - Non-Independent Director	30/01/2023
4.	05185378	Mr. Pankaj Sood	Non-Executive - Nominee Director	20/09/2022*
5.	01842066	Mr. Ashish Dikshit	Managing Director	01/02/2018
6.	03321646	Ms. Sangeeta Tanwani	Whole Time Director	24/02/2021
7.	09078653	Mr. Harihara Vishak Kumar	Whole Time Director	24/02/2021**
8.	00591057	Mr. Arun Kumar Adhikari	Non-Executive - Independent Director	19/05/2021
9.	03035271	Mr. Nish Bhutani	Non-Executive - Independent Director	05/06/2020
10.	02352395	Ms. Preeti Vyas	Non-Executive - Independent Director	31/03/2021
11.	01401447	Mr. Venkatesh Mysore	Non-Executive - Independent Director	13/10/2024
12.	00920608	Mr. Sunirmal Talukdar	Non-Executive - Independent Director	11/03/2020
13.	01040036	Mr. Yogesh Chaudhary	Non-Executive - Independent Director	17/03/2021
14.	00017423	Mr. Vikram Rao	Non-Executive - Independent Director	18/05/2022***

Notes: *The date of appointment is as per the date appearing in MCA records.*

(*) Mr. Pankaj Sood (DIN: 05185378), ceased to be the Non-Executive Nominee Director of the Company with effect from closure of business hours on April 02, 2026.

(**) During the Financial Year 2025-26, Mr. Harihara Vishak Kumar, ceased to be the Whole Time Director of the Company with effect from closure of business hours on 30/04/2025 pursuant to effectiveness of Demerger Scheme among the Company and Aditya Birla Lifestyle Brands Limited.

(***) During the Financial Year 2025-26, Mr. Vikram Rao, ceased to be the Independent Director of the Company with effect from closure of business hours on September 09, 2025.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
Firm Registration No. P2014MH037400
PR No. 7353/2025

Avinash Bagul
Partner
FCS No. 5578/ CP No. 19862
UDIN: F005578H000465807

Date: May 25, 2026
Place: Mumbai

Annexure B

CEO - CFO CERTIFICATION

To the Board of Directors

Aditya Birla Fashion and Retail Limited

(1) We have reviewed the Audited Financial Statements and the Cash Flow Statement of Aditya Birla Fashion and Retail Limited ("Company") for the financial year ended on March 31, 2026 and to the best of our knowledge and belief:

I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2026 which are fraudulent, illegal or violative of the Code of Conduct of the Company.

(3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.

(4) We have indicated to the Auditors and the Audit Committee the:

I. significant changes in the Company's internal control over financial reporting, during the financial year ended on March 31, 2026;

II. significant changes in accounting policies, if any, during the financial year ended on March 31, 2026 have been disclosed in the notes to the Financial Statements; and

III. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Date: May 25, 2026
Place: Mumbai

Ashish Dikshit
Managing Director

Jagdish Bajaj
Chief Financial Officer

Annexure C

DECLARATION

To the Members of Aditya Birla Fashion and Retail Limited,

As provided under the provisions of Schedule II and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for the year ended March 31, 2026.

Date: May 25, 2026
Place: Mumbai

Ashish Dikshit
Managing Director

GENERAL SHAREHOLDERS' INFORMATION

1.	**Corporate Identification Number**	L18101MH2007PLC233901
2.	**Registered Office**	Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400070
3.	**19th Annual General Meeting**	
	Day, Date & Time	Tuesday, August 25, 2026 at 3:30 p.m. IST
	Venue	Video conferencing/other audio-visual means (VC/OAVM) (Deemed venue for meeting: Registered Office of the Company)
4.	**E-Voting Details**	
	Cut-off Date	Tuesday, August 18, 2026
	E-Voting Commence from	9:00 a.m. IST, Friday, August 21, 2026
	E-Voting end date at	5.00 p.m. IST, Monday, August 24, 2026
5.	**Financial Calendar**	
	Financial Year	April 1, 2026 to March 31, 2027
	Quarter ending June 30, 2026	On or before August 14, 2026
	Quarter and six months ending September 30, 2026	On or before November 14, 2026
	Quarter and nine months ending December 31, 2026	On or before February 14, 2027
	Quarter and year ending March 31, 2027	On or before May 30, 2027
	Annual General Meeting	On or before September 30, 2027

A. Dividend payment date: Not Applicable

B. Stock exchanges where securities of the Company are listed:

(a) Equity shares:

Stock exchange	Stock code
BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	535755
National Stock Exchange of India Limited ("NSE") Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	ABFRL

Annual listing fees for the financial year 2026-27: Has been paid to both the stock exchanges.

(b) Non-convertible debentures ("NCD"):

The Company's privately placed NCDs are listed on the Debt Segment of BSE, details of which are as follows:

Year of issue	Series	Scrip code	ISIN	Principal amount (₹ in Crore)	Date of maturity	Debenture Trustee
2023	9[1]	974570	INE647O08115	500	30-Jan-26	**Axis Trustee Services Limited** The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400 028. Tel. No.: +91 22 6230 0451 E-mail: debenturetrustee@axistrustee.in
2023	10	975069	INE647O08123	750	12-Sep-30	
2024	11[2]	976007	INE647O08131	500	31-Dec-26	

Notes:

1. Series 9 has been transferred to Aditya Birla Lifestyle Brands Limited pursuant to Scheme of Arrangement among Aditya Birla Fashion and Retail Limited, Aditya Birla Lifestyle Brands Limited and their respective Shareholders and creditors.
2. Series 11 has been bought back by the Company in March 2025 from the open market.

(c) Commercial Papers: In terms of Securities and Exchange Board of India ('SEBI') Master Circular no. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025, for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper, the Company has not issued any Commercial Papers during the Financial year 2025-26. There were no commercial papers outstanding as on March 31, 2026.

C. Credit ratings:

The details of credit ratings as on March 31, 2026 and any revisions thereto during the financial year are disclosed below:

Instrument issued by/ on behalf of the Company	Credit Rating			
	CRISIL Limited	ICRA Limited	India Ratings & Research	Rating Action
Bank Loan Facilities	CRISIL A1+	-	-	Re-affirmed
Non-convertible debentures	CRISIL AA+/ Stable	[ICRA] AA+	IND AA+/ Stable	
Commercial Papers (no outstanding at the end of the year)	CRISIL A1+	-	-	

D. Suspension from Trading: No Securities of the Company have been suspended from trading on any of the Stock Exchanges where they are listed.

E. Registrar & Share Transfer Agent

MUFG Intime India Private Limited
Unit: Aditya Birla Fashion and Retail Limited
C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083
Phone : +91 8108116767
Fax : +91 22 49186060
E-mail : investor.helpdesk@in.mpms.mufg.com
Website : https://in.mpms.mufg.com

F. Share transfer system

Trading in the securities of the Company through recognized Stock Exchanges is permitted only in dematerialised form.

Pursuant to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") no requests for effecting transfer of securities have been processed unless the securities are held in the dematerialised form with the depository with effect from 1st April 2019. However, this restriction shall not be applicable to request received for effecting transmission or transposition of securities.

Simplification of process by SEBI

SEBI has from time to time, introduced measures to simplify the process for investor service requests with the objective of enhancing efficiency and improving investor convenience. In furtherance of these efforts, during the year, SEBI notified the following changes in the manner of processing investor service requests by the Company and its Registrar and Transfer Agent ("RTA"):

Procedure for issuance of duplicate share certificate

Further to the above, SEBI, vide Circular No. HO/38/13/11(3)2025-MIRSD-POD/I/1102/2025 dated December 24, 2025 ("said Circular") has further rationalised and simplified the process for issuance of duplicate securities by introducing a standardised Affidavit-cum-Indemnity Bond, replacing the requirement of submitting separate affidavits and indemnity bonds. The said Circular, read together with the earlier SEBI Circulars, has also relaxed certain procedural requirements, including the filing of police complaints, publication of newspaper advertisements and notarisation of affidavits in cases falling within the prescribed value limits.

Special window for re-lodgement of transfer of physical shares

In response to feedback received from investors, companies, and RTAs, SEBI vide its Circular No. SEBI/HO/ MIRSD/ MIRSD-PoD/P/CIR/2025/97 dated July 2, 2025, opened a special window for a period of 6 months from July 7, 2025 till January 6, 2026 to facilitate re-lodgement of transfer requests of physical shares of the Company in dematerialised form, which were sold/ purchased prior to April 1, 2019 and/or were rejected/ returned/not attended to due deficiency in the documents/process or otherwise.

Further, SEBI vide its Circular No. HO/38/13/11(2)2026- MIRSD-POD/I/3750/2026 dated January 30, 2026, has decided to open another special window for a period of one year from February 5, 2026 to February 4, 2027, to facilitate transfer and dematerialisation of physical shares of the Company.

Applicability of Special Window

Lodgment for transfer before April 1, 2019?	Original share certificate available	Eligible to lodge in Special Window
No (it is fresh lodgement)	Yes	Yes (subject to the conditions stated in the said SEBI Circular)
Yes (it was rejected/returned earlier)	Yes	
Yes	No	No
No	No	No

Withdrawal of the requirement for Issuance of a Letter of Confirmation

To simplify and expedite the credit of securities pursuant to investor service requests, while reducing the risks associated with physical handling, SEBI, vide Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, dispensed with the requirement of issuing a Letter of Confirmation ("LOC") with effect from April 2, 2026. Accordingly, Depositories have implemented systems enabling RTAs and listed companies to directly credit securities to the investor's demat account upon completion of the prescribed due diligence. However, any LOC issued prior to April 2, 2026 may continue to be submitted by investors to their Depository Participant ("DP") for dematerialisation within 120 days from the date of issuance of the LOC.

G. Investor service and grievance handling mechanism:

A robust mechanism is established by your Company which ensures efficient service to the investors, pro-active handling of investor correspondences and redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA, through its investor service centres which are spread across the country.

Stakeholders Relationship Committee has been constituted specifically to look into various aspects of interest of Shareholders, Debenture Holders and other Security Holders. The Board of your Company and its Audit Committee review the status of investor complaints.

During the year under review, the Company received total of 21 complaints from the Shareholders. The RTA attends to the investor grievances in consultation with Compliance Officer of the Company.

Details of complaints received and attended during FY 2025-26 are given below:

Sr. no.	Details of Investor Complaints	No. of complaints
1.	No. of Investor Complaints pending at the beginning of the year	0
2.	No. of Investor Complaints received during the year under review	21
3.	No. of Investor Complaints resolved during the year under review	21
5.	No. of Investor Complaints Unresolved at the end of the year	0

In view of SEBI Master Circular No. SEBI/HO/MIRSD/POD- 1/P/CIR/2024/37 dated May 7, 2024; the RTA has launched an online platform for the Shareholders. The same can be accessed at https://web.in.mpms.mufg.com/helpdesk/Service_Request.html. Shareholders are requested to login by using email ID via OTP and lodge service request, ask questions/queries, raise complaints on RTA portal.

Shareholders may also register on **'SWAYAM'**, online Investor Self-Service Portal that empowers security holders to effortlessly access information through a dashboard and avail various services in digital mode.

Quick link to access the signup page: https://swayam.in.mpms.mufg.com/Access/Register

Shareholders can register/sign up, using the Name, PAN, Mobile number and email ID. Post registration, user can login via OTP and lodge service request, ask questions/ queries, raise complaints, check for status of the Folios, KYC details, dividend etc.

H. Dispute Resolution Mechanism

SEBI Complaints Redress System (SCORES) Portal

SEBI has advised Shareholders to first approach the Company directly for the resolution of their grievances. In the event that the Company fails to resolve a complaint within the prescribed timeline, Shareholders may escalate the matter by lodging their complaint on the SEBI SCORES portal for further action. The revised framework for the handling and monitoring of investor complaints received through the SCORES portal by companies and designated stock exchanges has been prescribed by SEBI vide Master Circular No. HO/38/13/(4) 2026-MIRSD-POD/I/4298/2026 dated February 6, 2026.

Online Dispute Resolution (ODR) Portal

Shareholders who are not satisfied with the resolution of their grievances by the Company and/or its Registrar and Share Transfer Agent (RTA), after availing the available grievance redressal mechanisms, may escalate their disputes through SEBI's Online Dispute Resolution (ODR) Portal, available at https://smartodr.in/login.

I. Company's recommendations to the Shareholders:

a. Intimate/ update contact details

Shareholders are requested to update/ intimate changes, if any, with necessary documentary evidence, to the Company/ RTA, if shares are held in physical mode or to their Depository Participant ("DP"), if the holding is in electronic mode.

b. Furnish/ update PAN, KYC, bank account and nomination details with the Company/ DP

SEBI vide Master Circular No. HO/38/13(4)2026- MIRSD-POD/I/4298/2026 dated February 6, 2026, ("said Circular") has prescribed common and simplified norms for processing investor service requests by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details, and Specimen Signature), and Nomination details.

As per the provisions of the said Circular, amended from time to time, all Shareholders holding shares in physical form are mandated to update their PAN, address, mobile number, bank account details, and specimen signature with the RTA.

In view of the same, it may be noted that any service request can be processed only after the folio is KYC compliant. In the case, wherein any one of the above details are not updated, such Shareholders will be able to:

- lodge any grievance or avail any service only after furnishing all necessary details required above; and
- receive any payments including dividend in respect of such folios only electronically with effect from April 1, 2024, upon registering the required details.

c. Updation of details by non-resident Shareholders

Non-resident Shareholders are requested to immediately notify the following to the RTA of the Company in respect of shares held in physical form and to their DPs in respect of shares held in dematerialised form:

a. Indian address for sending all communications, if not provided so far;

b. Change in their residential status on return to India for permanent residence;

c. Particulars of their Non-resident rupee account, whether repatriable or not, with a bank in India, if not furnished earlier and

d. Email address and contact details.

d. Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services, Shareholders who have more than one folio/demat account in the same order of names, are requested to consolidate their holdings under one folio/demat account. They may write to the RTA/ DP in this regard. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor and service multiple folios/ demat accounts.

e. Submit Nomination Form

In terms of the SEBI Master Circular No. HO/38/13/ (4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, all investors are encouraged in their own interest, to provide choice of nomination by contacting the RTA, if shares are held in physical form or their respective DP, if shares are held in dematerialised form.

Further, all new investors are mandatorily required to provide the choice of nomination for their demat accounts (except for jointly held demat accounts).

If a Shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she/they may submit the same in the prescribed form.

The prescribed forms to be used for nomination in respect of physical shares are available on the https://web.in.mpms.mufg.com/KYC-downloads.html

f. Deal with registered intermediaries

Shareholders should deal through a SEBI registered intermediary, as it will be responsible for its activities and in case the intermediary does not act professionally, the matter can be taken up with SEBI/stock exchanges.

g. Monitor holdings regularly

Demat account should not be kept dormant for a long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Where the Shareholder holding shares in demat form is likely to be away for a long period of time, such Shareholder can make a request to the DP to keep the account frozen, so that there can be no debit to the account till the instruction for freezing the account is countermanded by the Shareholder.

h. Preservation of ownership documents

Shareholders are advised to retain all investment-related documents, including share certificates and communications received from the Company, as these may be required for verification of ownership and processing of future requests or transactions.

i. Manner of postage of documents

Shareholders are advised to send share certificates, cheques, demand drafts, etc. through registered/ speed post or courier.

J. Distribution of shareholding as on March 31, 2026:

Range of shareholding	No. of Shareholders	% No. of Shareholders	No. of shares held	% Shareholding
1 to 500	3,29,403	86.97	3,05,67,099	2.50
501 to 1000	23,943	6.32	1,81,50,328	1.49
1001 to 2000	12,584	3.32	1,84,50,184	1.51
2001 to 3000	4,413	1.17	1,11,46,358	0.91
3001 to 4000	1,955	0.52	69,51,491	0.57
4001 to 5000	1,543	0.41	72,24,164	0.59
5001 to 10000	2,623	0.69	1,89,27,370	1.55
10001 and above	2,280	0.60	1,10,91,21,198	90.88
Total	**3,78,744**	**100.00**	**1,22,05,38,192**	**100.00**

Category-wise shareholding pattern of the Company as on March 31, 2026:

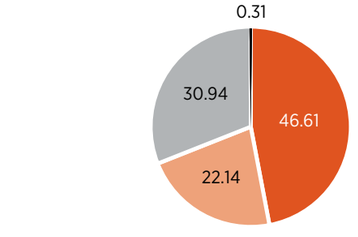
Category	No. of Shareholders	No. of shares	%
Promoter and Promoter Group	**15**	**56,89,11,129**	**46.61**
Public	**3,69,711**	**64,78,66,112**	**53.08**
Institutions	**240**	**27,02,47,277**	**22.14**
Mutual Funds	34	6,85,13,109	5.61
Foreign Portfolio Investors	154	18,94,64,331	15.52
Insurance Companies	6	1,15,62,935	0.95
Alternate Investment Funds	5	5,19,435	0.04
Financial Institutions/ Banks	38	1,85,067	0.02
Others	3	2,400	0.00
Central/ State Government(s)	**3**	**1,560**	**0.00**
Non-Institutions	**3,69,468**	**37,76,17,275**	**30.94**
Individuals	3,55,724	25,55,39,687	20.93
Body Corporates	1,341	7,94,04,796	6.51
Others	12,403	4,26,72,792	3.50
Non-Promoter - Non-Public	**1**	**3,760,951**	**0.31**
Total	**3,69,727**	**1,22,05,38,192**	**100.00**

ix. Dematerialisation of shares and liquidity:

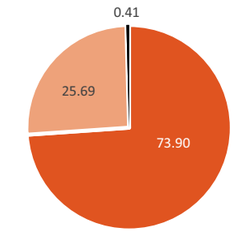
As on March 31, 2026, 99.59 % equity shares of the Company are held in dematerialised form.

Particulars	No. of Shareholders	No. of shares	% of total shareholding
Physical	22,540	49,95,799	0.41
Dematerialised mode:	3,56,204	1,21,55,42,393	99.59
NSDL	1,26,841	90,20,39,966	73.90
CDSL	2,29,363	31,35,02,427	25.69
Total	**3,78,744**	**1,22,05,38,192**	**100.00**

Category-wise Shareholding %



Dematerialisation of shares



L. Unclaimed Securities Suspense Account:

As on March 31, 2026, 27,63,591 equity shares of ₹ 10/- each were lying in the said suspense account and details of which is as under:

Particulars	No. of Shareholders	No. of shares
Outstanding at the beginning of the year	14,588	27,68,679
Shareholders who approached the Company and to whom shares were transferred during the year	13	5,088
Shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	-	-
Outstanding at the end of the year	14,575	27,63,591

Note: Voting rights on these shares shall remain frozen till the rightful owners of such shares claims the shares.

M. Suspense Escrow Demat Account

Pursuant to SEBI Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, with effect from April 2, 2026, the requirement for issuance of a Letter of Confirmation ("LOC") for credit of securities pursuant to investor service requests has been dispensed with.

LOCs issued prior to the effective date shall remain valid for submission within the prescribed timeline in accordance with the earlier provisions.

The details of shares lying under the said Demat Account as on March 31, 2026 is as follows:

Particulars	No. of Shareholders	No. of shares
Aggregate Number of Shareholders and the outstanding shares in the suspense escrow demat account lying as on April 1, 2025	15	5,092
Transferred during the year to suspense Demat Account	15	3,364
Shareholders, who approached the Company for transfer of shares from the suspense escrow demat account	5	2,022
Aggregate Number of Shareholders and the outstanding shares in the suspense escrow demat account lying as on March 31, 2026	25	6,434

N. Transfer to Investor Education and Protection Fund

During the year under review, there was no such requirement to transfer any amount or shares to the Investor Education and Protection Fund.

O. Reconciliation of share capital audit

As required by the SEBI (Depositories and Participants) Regulations, 2018, M/s. Dilip Bharadiya & Associates, Company Secretaries (FRN: P2005MH091600), carried out quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form, the details of changes in the share capital during each quarter and the in-principle approval pending from stock exchanges with respect to such further issued capital, if any.

Further, an audit report issued in that regard is submitted to the stock exchanges, National Securities Depository Limited and Central Depository Services Limited on quarterly basis and the same is also placed before the Board.

P. Outstanding Global Depository Receipts (“GDRs”)/ American Depository Receipts (“ADRs”)/ warrants or any convertible instruments, conversion date and likely impact on equity:

As on March 31, 2026, there were no convertible instruments outstanding and the Company had not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), or warrants

Q. Commodity price risk/ foreign exchange risk and hedging activities:

The foreign currency exposure of the Company, in respect of its imports, borrowings and export receivables, is hedged as per its policies. The Company uses a mix of various derivative instruments like forward covers.

R. Plants of the Company with their locations

Sr. no.	Plants	Location
1	TCNS Sampling Unit	Plot No. 234, Udyog Vihar, Phase 1, Gurugram -122016, Haryana, India.

S. Address for correspondence

- All Shareholder’s correspondence should be forwarded to MUFG Intime India Private Limited, the Registrar and Share Transfer Agent of the Company or to the Company Secretary at the registered office of the Company at the addresses mentioned below.
- The Company’s dedicated e-mail address for Shareholders complaints and other communications is secretarial@abfrl.adityabirla.com.

Registrar and Share Transfer Agent	Registered Office
MUFG Intime India Private Limited	**Aditya Birla Fashion and Retail Limited**
Unit: Aditya Birla Fashion and Retail Limited	Piramal Agastya Corporate Park, Building ‘A’,
CC-101, Embassy 247, L.B.S. Marg,	4th and 5th Floor, Unit No. 401, 403, 501, 502,
Vikhroli (West), Mumbai - 400083	L.B.S. Road, Kurla, Mumbai - 400070
Phone : +91 8108116767	Phone : +91 86529 05000
Fax : +91 22 49186060	E-mail : secretarial@abfrl.adityabirla.com
E-mail : investor.helpdesk@in.mpms.mufg.com	Website : www.abfrl.com
Website : https://in.mpms.mufg.com	

T. Feedback:

Your feedback is valuable to us to help us serve you better. Shareholders are requested to give us their valuable suggestions, if any, for enhancement of our investor services by writing to RTA/Company at the address provided hereinabove.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Anchored by the ABG Vision and Sustainable Business Framework, we at ABFRL embarked on our sustainability journey with the launch of the sustainability 1.0 programme 'ReEarth - For Our Tomorrow' in FY13.

Building on our commitment to foster a sustainable tomorrow and deliver sustainable fashion, we have leapfrogged in our ReEarth programme with sustainability 2.0 and defined milestones for 2025.

As we transform our journey to Sustainability 3.0, we are redefining boundaries, setting ambitious goals, and embracing our responsibility to shape a sustainable future. Our vision for 2030 isn't just aligned with global climate goals—it is a bold declaration of our intent to lead with purpose and impact, focusing on below key areas: Sustainable Brands, Product stewardship, Net-Zero & decarbonization, Health safety & well-being, social Impact.

We present our Business Responsibility and Sustainability Report (BRSR) in alignment with the National Guidelines on Responsible Business Conduct (NGRBCs) on Environmental, Social and Governance (ESG) of Businesses as released by the Ministry of Corporate Affairs. This Report is prepared as per amended 34 (2) (f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021 and SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated 28 March 2025.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	**Corporate Identity Number (CIN) of the Listed Entity**	:	L18101MH2007PLC233901
2	**Name of the Listed Entity**	:	Aditya Birla Fashion and Retail Limited
3	**Year of incorporation**	:	2007
4	**Registered office address**	:	Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai, Maharashtra - 400 070
5	**Corporate address**	:	Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai, Maharashtra - 400 070
6	**E-mail**	:	secretarial@abfrl.adityabirla.com
7	**Telephone**	:	91 86529 05000
8	**Website**	:	www.abfrl.com
9	**Financial year for which reporting is being done**	:	2025-2026
10	**Name of the Stock Exchange(s) where shares are listed**	:	BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE")
11	**Paid-up Capital (in INR)**	:	₹ 1220.54 Cr
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	:	Name: Dr Naresh Tyagi Designation: Chief Sustainability Officer Telephone: 080-67271000 Email Address: naresh.tyagi@abfrl.adityabirla.com
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	:	Yes, the disclosure under this report are made on consolidated basis. The BRSR disclosures pertain to our Corporate office in Mumbai and Head Office in Bengaluru, factories, warehouses, and retail stores. The defined boundary covers significant operations of the organization. *Please Refer about the report' section page no. 4-5*
14	**Name of Assurance Provider**	:	British Standards Institution
15	**Type of Assurance**	:	Reasonable Assurance for BRSR core

II. Products / services

16. Details of business activities (accounting for 90% of the turnover):

Business activities include design, manufacturing, distribution and retailing offering branded apparel and accessories. Details of turnover provided in subsequent question.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Description of Main Activity	Description of Business Activity	Business Activity Code	% of Turnover of the entity
1	Manufacturing	Textile, Leather and other apparel products	13	26.35%
2	Trade	Retail Trading	47	73.65%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated.

Location	Number of plants	Number of offices	Total
National	2 Factories 3 Sampling Units 6 Warehouses	Registered Office – Mumbai Pantaloons Office Jaypore Office Tasva Office Shantanu & Nikhil Office House of Masaba office TCNS office	18
International	–	–	–

Please Refer 'Reporting Scope Boundary and Framework' section page no. 3

19. Markets served by the entity:

a. Number of locations:

Location	Number
National (no. of states)	28 states and 4 union territories across India
International (no. of countries)	USA

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1.04% is contributed to exports in total turnover

c. A brief on types of customers:

Considering our product portfolio, we cater to all types of customer needs in fashion including formals, casuals, fast fashion, Indian ethnic and luxury. We also cater to accessory needs of the customers across India. We also reach out to our customer through our e-commerce along with our large retail footprint.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Please refer Human Capital section, Page no. 57

b. Differently abled Employees and workers:

Please refer Human Capital section, Page no. xx

21. Participation / Inclusion / Representation of women

Please refer Human Capital section, Page no. 57

22. Turnover rate for permanent employees and workers (*Disclose trends for the past 3 years*)

Please refer Human Capital section, Page no. 60

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Jaypore E Commerce Private Limited	Subsidiary	100.00%	Yes
2	Jaypore Fashions Inc	Subsidiary	100.00%	Yes
3	TG Apparel & Décor Private Limited	Subsidiary	100.00%	Yes
4	Finesse International Design Private Limited	Subsidiary	65.50%	Yes
5	Sabyasachi Calcutta LLP	Subsidiary	51.00%	Yes
6	Indivinity Clothing Retail Private Limited	Subsidiary	85.54%	Yes
7	House of Masaba Lifestyle Private Limited	Subsidiary	61.81%	Yes
8	Aditya Birla Digital Fashion Ventures Limited	Subsidiary	100%	No
9	Sabyasachi Inc	Subsidiary	51.00%	No
10	Pratyaya E -Commerce Private Limited	Subsidiary	87.57%	No
11	Imperial Online Services Private Limited	Subsidiary	84.38%	No
12	Awesomefab Shopping Private Limited	Subsidiary	86.58%	No
13	Bewakoof Brands Private Limited	Subsidiary	89.01%	No
14	Next Tree Products Private Limited	Subsidiary	89.01%	No
15	Styleverse Lifestyle Private Limited	Subsidiary	51.00%	No
16	Wrogn Private Limited	Associate Company	35.36%	No
17	Goodview Fashion Private Limited	Subsidiary	51.01%	No
18	Tarun Tahiliani Fashions Trading L.L.C S.O.C	Subsidiary	51.01%	

VI. CSR Details

24. CSR details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): ₹ *8176.92 Cr*

(iii) Net worth (in ₹): ₹ *5839.06 Cr.*

VII. Transparency and Disclosure compliance

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 (Current)			FY 2024-25 (Previous)		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes**https://www.abfrl.com/corporate-governance/policies/**	0	0		0	0	
Investors (other than shareholders)		0	0		0	0	
Shareholders		21	0		25	0	
Employees and workers		356	0		208	46	
Customers		68550	697		69539	594	
Value Chain Partners		0	0		0	0	

26. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Please Refer Materiality – Stakeholder Engagement and Materiality Assessment Section, page no. 21

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Process										
1a.	**Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No
1b.	**Has the policy been approved by the Board? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
1c.	**Web Link of the Policies, if available**	http://www.abfrl.com/corporate-governance/policies/								
		Some policies may also include a combination of internal policies of the Company which are accessible to all internal stakeholders and policies placed on the Company's website								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No
3	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No
4	**Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	Global Standards / frameworks: ILO, GRI, IFC, ISO, SA8000	Labels: BCI, LIVA Eco Fibber International Standards: OHSAS, ANSI, BSI, ASTM, NFPA Indian Standards: BIS, NBC, NSC Global Standards / frameworks: ILO, GRI, IFC, ISO, SA8000, Recycled Claim Standard, Higg Index	International Standards: OHSAS, ANSI, BSI, ASTM, NFPA Indian Standards: BIS, NBC, NSC Global Standards / frameworks: ILO, GRI, IFC, ISO, SA8000, ETI	Global Standards: ISAE3000, GRI, UNGC	Global Standards / frameworks: ILO, ISO, IFC SA8000, ETI, UNGC	Global Standards / frameworks: ILO, GRI, IFSC, ISO, SA8000 Certifications: USGBC, IGBC	Global Standards: ISAE3000, GRI, UNGC	Global Standards / frameworks: ILO, IFC, ISO, SA8000, UNGC	Global Standards / Frameworks: ISO, UNGC

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	-	-100% products by volume to have at least two sustainable attributes by 2030- All tier-1 suppliers to be covered under Vendor Code of Conduct Program by 2030- Zero severity at our premises	- All tier-1 suppliers to be covered under Vendor Code of Conduct Program by 2030- Zero Harm - No incident of 'Category 5' at our premises.	-	- All tier-1 suppliers to be covered under Vendor Code of Conduct Program by 2030	- 50% Renewable Energy across our facilities by 2030- 5.5% YoY reduction in Scope 1, 2 Emissions and 3.3.% reduction in Scope 3 YoY by 2030- Zero Waste disposed to landfill	-	- CSR goals are defined year-on-year across Education, Healthcare & Sanitation, Sustainable Livelihood, Water & Watershed and Digitalization	'All tier-1 suppliers to be coveredunder Vendor Code of Conduct Program by 2030
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**	-								
Governance, Leadership and Oversight										
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	*Please refer 'Executive Messages' Section*								
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Name: Dr. Naresh Tyagi Designation: Chief Sustainability Officer Telephone: 080-67271000 Email Address: naresh.tyagi@abfrl.adityabirla.com								
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details**	Pls. refer Risk and Opportunity, Risk governance section. Page no. 22-25								
10	**Details of Review of NGRBCs by the Company**	**Indicate whether: (i) Review was undertaken by Director / Committee of the Board / Any other Committee(ii) Frequency - Annually / Half yearly / Quarterly / Any other – please specify**								
	Subject for review	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Performance against above policies and follow up action	Quarterly / Half yearly	Quarterly / Half yearly	Quarterly / Half yearly	Quarterly / Half yearly	Quarterly / Half yearly	Quarterly / Half yearly	-	Quarterly / Half yearly	-
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly	Half yearly	-	Half yearly	-

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	**Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency**	Yes, IMS audit conducted by BVQI	Yes, facilities assessed on Higg Index FEM / FSLM by Bluwin		Yes, Sustainability Report assessed and assured by BSI	Yes, Human Rights Assessment conducted by KPMG	-	-	Yes, Social Impact assessment by Navgraam Development Consulting LLP	Yes, Information and Cyber Security systems & protocols assessed by one of the Big 4 Audit firm

12	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
	The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
	It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
	Any other reason (please specify)	-	-	-	-	-	-	While ABFRL does not have a stated policy on Policy Advocacy; as part of the Aditya Birla Group, we actively undertake need- based advocacy on issues pertaining to the industry through our membership of relevant industry bodies, such as Retail Association of India and Clothing Manufacturers Association of India		

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Good governance is the common underlying principle for all successful organizations. To ensure transparent communication and ethical conduct at all levels of the value chain, we adhere to the policies which form the cornerstone of our operations and ensure business continuity in a responsible manner.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Please Refer 'Human Capital' Chapter Page no. 69

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year:

Monetary	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	1 to 9	NIL (for directors & KMP)	-	-	-
Settlement	1 to 9	NIL (for directors & KMP)	-	-	-
Compounding fee	1 to 9	NIL (for directors & KMP)	-	-	-

Non-Monetary	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	1 to 9	NIL (for directors & KMP)	-	-	-
Punishment	1 to 9	NIL (for directors & KMP)	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed. –

NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, we have an Anti-Fraud and anti-corruption and bribery Policy in place.

https://www.abfrl.com/wp-content/uploads/2025/07/Anti-Bribery-and-Anti-Corruption-Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Segment	FY 2025-26	FY 2024-25
Directors	Nil	Nil
Key Managerial Personnel	Nil	Nil
Employees other than BoD and KMPs	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

No. of complaints received in relation to issues of Conflict of Interest	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Not Applicable

8. Number of Days of Accounts payable ((Accounts payable*365) / cost of goods / services procured) in the following format:

Please refer Financial Capital section, Page no. 42

9. Open-ness of Business:

Please refer Financial Capital section, Page no. 42

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Please refer Social and Relationship Capital section, Page no. 119-120

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Board and Senior Management being the decision-making authority, there's a code of conduct in place to observe the highest standards of ethical conduct and integrity.

Refer Code of Conduct - https://www.abfrl.com/corporate-governance/code-of-conduct/

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

ABFRL is committed to its vision to 'passionately satisfy Indian consumers' needs in fashion, style and value'. Consumers today are more aware and prefer not only the style and service but also in the knowledge that the brands they choose manufacture products sustainably and operate responsibly and ethically.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	0	0	NA
Capex	0	0	NA

2. a. Does the entity have procedures in place for sustainable sourcing?

Yes, we have a defined methodology namely 'Sustainable Attributes' to monitor sustainable coefficient across our product portfolio

b. If yes, what percentage of inputs were sourced sustainably?

At ABFRL Level, 95% product have at least one sustainable attribute

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life

Please refer Natural Capital section, Page no. 100

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities- *Yes*

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Please refer Natural Capital section, Page no. 99

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? Yes

Please refer Natural Capital section, Page no. 100

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Please refer Natural Capital section, Page no. 100

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Carton Box	100% cardboard made from recycled paper	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Please refer Natural Capital section, Page no. 97

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category. – Not Applicable

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

At ABFRL, our 'People Vision' is to **'Drive a High Performing and Customer Centric Culture with Happy and Value Oriented Employees'.** We are especially proud of our performance as it is expertly anchored by advanced capabilities and enhanced productivity.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Please refer Human Capital section, Page no. 63-65

b. Details of measures for the well-being of workers:

Please refer Human Capital section, Page no. 63-65

c. Spending on measure towards well-being of employees and workers (including permanent and other than permanent)

Please refer Human Capital section, Page no. 66

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Please refer Human Capital section, Page no. 66

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises / offices are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

While we don't have a standalone Equal Opportunity Policy, our Human Rights policy emphasizes our commitment and approach in providing a conducive and diverse work environment considering the rights of vulnerable groups such as indigenous people, women, migrant workers and other minorities. Please refer Human Rights Policy for further information. - *https://www.abfrl.com/wp-content/uploads/2024/07/Human-Rights-Policy-1.pdf*

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Please refer Human Capital section, Page no. 67

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes / No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	Works committee has formed to address the Grievance of workers. Committee comprises with 20% of male and 80% of female across levels and each unit level
Other than Permanent Worker	No	NA
Permanent Employees	Yes	Pls. refer Employee grievance mechanism in Human Capital Page no. 74
Other than Permanent Employees	No	NA

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Please refer Human Capital section, Page no. 73

8. Details of training given to employees and workers:

Please refer Human Capital section, Page no. 68 for Skill upgradation training and Health & safety Training Page no. 69

9. Details of performance and career development reviews of employees and worker:

100% of employees and permanent workers are covered under performance and career development review.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system?

Yes, please refer Human Capital Section, Page no. 75-76

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Risk Assessment and Management System - Hazard Identification and Risk Assessment, Job Safety Analysis, please *refer Human Capital Section, Page no. 76*

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Please refer Human Capital Section, Page no. 77

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

We have Group Mediclaim Policy in place for all our employees (including workers)

11. Details of safety related incidents, in the following format:

Please refer Human Capital section, Page no. 77

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Please refer Human Capital Section, Page no. 75-76

13. Number of Complaints on the following made by employees and workers:

Please refer Human Capital Section, Page no. 74

14. Assessments for the year:

	% of your plants and offices that were assessed *(by entity or statutory authorities or third parties)*
Health and safety practices	100% *(Factories and Warehouse)*
Working conditions	100% (Factories and Warehouse)

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Please refer Human Capital section, Page no. 78

Leadership Indicators

1. D**oes the entity extend any life insurance or any compensatory package in the event of death.**

Employees	Yes
Workers	Claims are settled through EDLI – EPFO

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   Statutory dues are managed by internal process stakeholders and there are quarterly audit happening around to ensure the prompt payment and 100% complaint

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees / worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-2026	**FY 2024-2025**	**FY 2025-2026**	**FY 2024-2025**
Employees	0	0	NA	NA
Workers	0	0	NA	NA

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   Please refer Human Capital section, Page no. 68-69

5. **Details on assessment of value chain partners:**

   Please refer Social and Relationship Capital section, Page no. 119

6. **Provide details of any corrective actions taken or underway to address significant risks concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Please refer Social and Relationship Capital section, Page no. 119

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Please refer Stakeholder Engagement and Materiality assessment Section, Page no. 27

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

   Please refer Stakeholder Engagement and materiality assessment Section, Page no. 28-29

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Please refer Stakeholder Engagement and materiality assessment section, Page no. 27-29

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, *please refer Materiality Section and Stakeholder Engagement section, Page no. 27-29*

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   We do not have any vulnerable or marginalized group identified as stakeholder group.

   Please refer Materiality Section and Stakeholder Engagement section, Page no. 27-29

Principle 5: Businesses should respect and promote human rights

ABFRL upholds the belief that all humans must be treated with dignity and respect. In order to ensure this, we protect human rights, not only within our premises but across our supply chains. Our policy on human rights is thus extended to vendors, suppliers and NGOs. Some of the steps that we have taken to safeguard human rights are:

- We prohibit child and force labour across all vendor sites. This is enforced and ensured through stringent and regular audit checks of vendors
- Our 'Prevention of Sexual Harassment' *(POSH)* Policy has been adopted on the Company-wide level to ensure the respect and dignity of all its employees. POSH is applicable not only to employees but also to third parties or clients and vendors of the Company

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

   Please refer Human Capital section, Page no. 73-74

2. **Details of minimum wages paid to employees and workers, in the following format:**

   Please refer Human Capital section, Page no. 64

3. **Details of remuneration/salary/wages, in the following format:**

   a. **Median Renumeration / Wages**

      Please refer Human Capital section, Page no. 64

   b. **Gross wages paid to female as % of the total wages paid by entity**

      Please refer Human Capital section, Page no. 64

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) -** *Yes*

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have a formal policy in line with UNGC Principles of Human Rights & Labor, Social Accountability 8000 etc. and employee raise their grievances through dedicated helpline numbers work committee and email in their reginal language

6. Number of Complaints on the following made by employees and workers:

Please refer Human Capital section, Page no. 74

7. Complaints filed under the sexual Harassment of women at workplace (prevention, prohibition and redressal) act 2023, in the following format

Please refer Human Capital section, Page no. 74

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Please refer Human Capital section, Page no. 74

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)- Yes

10. Assessments for the year – Percentage of plants and offices

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100% assessed for Workplace Health & Safety requirements

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

At the time of Audit suitable corrective actions are recommended and facilities are monitored through regular Follow-up and Annual Surveillance Audits to ensure robustness of the systems in place

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
– Not applicable

2. Details of the scope and coverage of any Human rights due-diligence conducted.

All the tier 1 vendors, warehouse, retail stores, business offices, and in-house factories are under the scope of Human Rights due diligence.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

Please refer Social and Relationship Capital section, Page no. 119

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

At the time of Audit suitable corrective actions are recommended. Vendors are monitored through regular Follow-up and Annual Surveillance Audits to ensure robustness of the systems in place

Please refer Social and Relationship Capital section, Page no. 119

Principle 6: Businesses should respect and make efforts to protect and restore the environment

At ABFRL, we are striving to provide every customer a sense of meaningful contribution in building a sustainable ecosystem, through resource neutral operations of closed-loop models, sustainable raw materials and enhanced transparency.

- Our sustainability webpage link - https://www.abfrl.com/sustainability/
- Our Environmental Policy link – https://www.abfrl.com/docs/corporate_governance/policies/ENVIRONMENTAL-POLICY.pdf

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Please refer Natural Capital section, Page no. 93

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

None of the ABFRL facility has been identified as designated consumers under PAT scheme

3. Provide details of the following disclosures related to water, in the following format:

Please Refer Natural Capital section, Page no. 95

4. Provide the following details related to water discharged:

Please Refer Natural Capital section, Page no. 95

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, ABFRL has implemented a mechanism for zero water Discharge. Under Liquid waste, we have Used oil, which is collected, stored and disposed for recycling.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Please Refer Natural Capital section, Page no. 95

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

   Please Refer Natural Capital section, Page no. 94

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

   Yes, Energy efficiency, PV Solar Roof Top, Use of biomass as fuel in boiler etc.

   Please Refer Natural Capital section, Page no. 94

9. **Provide details related to waste management by the entity, in the following format:**

   Please Refer Natural Capital section, Page no. 97

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

    Please Refer Natural Capital Section, Page no. 97

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

    Not Applicable. ABFRL has no operations/offices in/around ecologically sensitive areas

12. **Details of environmental impact assessments (EIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

    Not Applicable

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

    Yes, we adhere to all applicable local and national environment laws and regulations

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):**

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area: Bangalore and Gurugram

   (ii) Nature of operations: Domestic purpose

   (iii) Water withdrawal, consumption and discharge in the following format:

   Please Refer Natural Capital Section, Page no. 95

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

   Please Refer Natural Capital Section, Page no. 94

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   ABFRL has no operations/offices in/around ecologically sensitive areas

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

   Please Refer Natural Capital Section, Page no. 95-96

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   We have crisis management policy at group level

   https://sustainability.adityabirla.com/images/Crisis-Management-Policy.pdf

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   No significant adverse impacts to the environment evidenced as a result of our operations

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   30 Critical vendors assessed for Environmental Impacts through our internal program named as supplier sustainability Index

Principle 7Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

      Please Refer 'Membership in Industry Associations', in Public Advocacy section in Social and Relation Capital, Page no. 120-121

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

      Please Refer 'Membership in Industry Associations', in Public Advocacy section in Social and Relation Capital, Page no. 122

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   Not Applicable

Principle 8: Businesses should promote inclusive growth and equitable development

The Company focuses its CSR initiatives under 5 pillars, i.e., Education, Health & Sanitation, Sustainable Livelihood, Water and Digitization. It also strongly encourages voluntary employee participation in the CSR activities, and has a policy in place to facilitate this.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   Please refer Social and Relation Capital, Page no. 108-114

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

   Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

   Please refer Social and Relation Capital, Page no. 108

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

   Please refer Social and Relationship Capital, Page no. 121

5. **Job creation in smaller town- Disclose wages paid to person employed (Including employees or workers employed on permanent or non-permanent /on contract basis in the following locations.**

   Please refer Human Capital, Page no. 64

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable as no any negative social impacts identified in the Social Impact Assessments	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   Please refer Social and relationship capital section, page no. 110

3 a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

   No

   b. **From which marginalized /vulnerable groups do you procure?**

   Currently, we are not purchasing from any marginalized or vulnerable groups

   c. **What percentage of total procurement (by value) does it constitute?**

   0%

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable

6. **Details of beneficiaries of CSR Projects:**

   Please refer Social and Relation Capital, Page no. 106

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Please Refer Customer, Stakeholder Engagement and Materiality section, Page no. 114

2. **Turnover of products and / services as a percentage of turnover from all products/service that carry information about:**

Environmental and social parameters relevant to the product	We have defined sustainable product attributes. We launch various environment friendly collections and mentions the Environment and Social performance of the products. Such products comprise of 95 % by volume.
Safe and responsible usage	Our product tags contain the information on the safe and responsible usage of the products such as wash care, drying and ironing instruction. We mention these instructions on 100% of our apparel products.
Recycling and/or safe disposal	Not Applicable

3. **Number of consumer complaints in respect of the following:**

   Please refer Social and Relation Capital, Page no. 114

4. **Details of instances of product recalls on account of safety issues:**

   Not Applicable

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Please refer intellectual Capital, Information security section Page no. 87

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Nil

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact:**

   0

   b. **Percentage of data breaches involving personally identifiable information of customers:**

   0%

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**

   Information relating to all the products and services provided by the organization are available on the Company website https://www.abfrl.com. Apart from that all the brands that are part of ABFRL, have their own websites, where they regularly update their information regarding their products and services. In addition, the Corporation actively uses various social media and digital platforms to disseminate information.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Our product tags contain the information on the safe and responsible usage of the products such as wash care, drying and ironing instruction. We mention these instructions on all of our apparel products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Not applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief.**

   Product Story related to raw material, finish or any other key highlight shall be disclosed over and above the mandatory requirement through the hangtag. Example - LIVA, Giza Cotton

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, we do carry out surveys with regard to consumer satisfaction.

By Royal Charter

Independent Assurance opinion Statement:

To: Mr. Ashish Dikshit, Managing Director of Aditya Birla Fashion and Retail Ltd.

Holds Statement No.: SRA 842793-8

The British Standards Institution **(BSI)** has conducted a combined assurance engagement on the sustainability information (described in the "Scope") in the Business Responsibility and Sustainability Report (BRSR Core KPI's) and Integrated Report for FY 2025-2026 of Aditya Birla Fashion and Retail Ltd **(ABFRL)**

Scope

The scope of engagement agreed upon with ABFRL includes the following:
The assurance covers the information of the following material topics (non-financial information) in the Integrated report for the reporting period of 1st April 2025 to 31st March 2026 (FY 2025-2026), "In accordance with" the GRI universal standards 2021 at limited level assurance. ABFRL has also made disclosures as per GRI 2: General Disclosures 2021 (2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-7, 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-21, 2-22, 2-23, 2-24, 2-25, 2-26, 2-27, 2-28, 2-29, 2-30) and GRI 3: Material Topics 2021 (GRI 3-1, 3-2 and 3-3)

The material topics were identified are as follows:

Material Topic	GRI Disclosures
Resource management-Energy	GRI 302: Energy 2016 - 302-1, 302-2, 302-3, 302-4, 302-5
Water	GRI 303: Water and Effluents 2018 - 303-1, 303-2, 303-3, 303-4, 303-5
Climate Change	GRI 305: Emissions 2016 - 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7
Waste Management and Circular Economy	GRI 306: Waste 2020 - 306-1, 306-2, 306-3, 306-4, 306-5
Sustainable Product	GRI 308: Supplier Environmental Assessment 2016 - 308-1, 308-2 GRI 414: Supplier Social Assessment 2016 - 414-1, 414-2
Product Quality and Safety	GRI 416: Customer Health & Safety 2016 - 416-1, 416-2 GRI 417: Marketing and Labelling 2016 - 417-1, 417-2, 417-3
Occupational Health and Safety	GRI 403: Occupational Health and Safety 2018 - 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

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The scope of engagement also includes the following:

The assurance covers the information of the following subject matters in the Business Responsibility and Sustainability Section (BRSR Core KPI's) in the Integrated Report for the reporting period of 1st April 2025 to 31st March 2026 (FY 2025-2026).

- Green-house gas (GHG) footprint - P6:E7
- Water footprint - P6:E3 and P6:E4
- Energy footprint - P6:E1
- Embracing circularity - P6:E9
- Enhancing Employee Wellbeing and Safety - P3:E1(C), P3:E11
- Enabling Gender Diversity in Business - P5:E3(B), P5:E7
- Enabling Inclusive Development - P8:E4, P8:E5
- Fairness in Engaging with Customers and Suppliers - P9:E7, P1:E8
- Open-ness of business – P1:E9

The selected information is reported in accordance with Business Responsibility and Sustainability Report (BRSR Core KPI's).

The details of subject matters and their boundaries within the scope is described in Appendix A and Appendix B in this independent assurance opinion statement.

Opinion Statement

We have conducted a reasonable assurance engagement on the sustainability information described in the "Scope" above (BRSR for FY 2025-2026 covering core KPIs mentioned in Annexure-I: format of BRSR core, provided by SEBI, covering disclosures on Green-House Gas (GHG) footprint, Water footprint, Energy footprint, Embracing Circularity, Enhancing Employee Wellbeing and Safety, Enabling Gender Diversity in Business, Enabling Inclusive Development, Fairness in Engaging with Customers and Suppliers, Open-ness of Business.

In our opinion, the accompanying sustainability information is fairly presented, in all material aspects, in accordance with the Business Responsibility and Sustainability Report (BRSR Core KPI's) for the reporting period 1st April 2025 to 31st March 2026.

Also, BSI has conducted a limited level assurance engagement on the sustainability information (non-financial ESG information covered under material topic KPIs) described in the "Scope" above.

In our opinion, based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying

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sustainability information is not prepared, in all material respects, & in accordance requirements to the GRI universal standards 2021, for the reporting period 1st April 2025 to 31st March 2026.

While assessing the information, the evidence was gathered to ensure that the organization has practices and procedures in place to demonstrate the characteristics of relevance, completeness, reliability, neutrality and understandability in their data collection, consolidation and presentation in the annual Integrated report.

Methodology

Our assurance engagements were carried out in accordance with ISAE3000 (Revised) assurance standard following the principles of Integrity, Objectivity, Professional competence and due care, Confidentiality, and Professional behaviour. ISO 14064-3:2019 assurance standard is used for information related to GHG statement. Our work was designed to gather evidence on which to base our opinion conclusions.

We undertook the following activities:

- Assessment of the organization's reporting and management processes concerning this reporting against the principles of relevance, completeness, reliability, neutrality, understandability.
- Data verification on reasonable level sampling including asking for internal controls and implementation of internal controls, SOPs for data gathering and reporting mechanism for BRSR core KPIs.
- Data verification on limited level sampling for non-financial ESG information covered under material topics in the annual sustainability report with reference to GRI universal standards 2021.
- Consolidation of ESG information of different plants at corporate level.
- Interviews with staff involved in sustainability management, Sustainability/BRSR KPI preparation, data management and calculation of final numbers.
- Document review of relevant systems, policies, and procedures wherever available.
- Review of supporting evidence for claims made in the reports.
- Traceability of information from the origin and testing at site for measurement procedures
- Review of data pertaining to the sampled units of ABFRL, to confirm the data collection processes, record management practices, and check ESG material KPI's physically and through virtual mode.

Responsibility

Aditya Birla Fashion and Retail Ltd, (ABFRL) is responsible for the preparation and fair presentation of the sustainability information in accordance with the agreed criteria. BSI is

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responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Independence, Quality Control and Competence

BSI is independent to Aditya Birla Fashion and Retail Ltd., (ABFRL) and has no financial interest in the operation of Aditya Birla Fashion and Retail Ltd., (ABFRL) other than for the assurance of the sustainability statements contained in the BRSR Annexure-I (Core KPIs) and non-financial ESG information covered under the material topics in the Integrated report for the period of 1st April 2025 to 31st March 2026.

This independent assurance opinion statement has been prepared for the stakeholders of Aditya Birla Fashion and Retail Ltd., (ABFRL) only for the purposes of verifying its statements relating to its environmental, social and governance (ESG) KPI's.

This independent assurance opinion statement is prepared on the basis of review of information provided to BSI by Aditya Birla Fashion and Retail Ltd., (ABFRL). In making this independent assurance opinion statement, BSI has assumed that all information provided to it by Aditya Birla Fashion and Retail Ltd., (ABFRL) is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), GRI Universal Standard 2021, ISO10002, ISO 14001, ISO 45001, ISO 14064, ISO 14067, ISO 14068, ISO 50001, and ISO 9001, etc. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

Issue Date:

For and on behalf of BSI:

Srinivasa Babu Nagaraj, Lead Assurer

Emmanuel Herve, Managing Director,
South & South East Asia (S&SEA)

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Appendix A

Subject Matter	Parameter	Unit of Measurement	Final Value
GHG Emissions	Total Scope-1 Emissions	tCO2e	374
	Total Scope-2 Emissions	tCO2	92,350
	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP	23.06
	GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Lakh Goods Sold	Not Reported
Water Footprint	Total water consumption	KL	19963
	Water consumption intensity	KL/ Rupee adjusted for PPP	4.97
	Water consumption intensity	KL/ Lakh Goods Sold	Not Reported
	Water Discharge by destination and levels of Treatment	KL	28,428
Energy Footprint	Total Energy Consumed	TJ	417.56
	Percentage of energy consumed from renewables	%	0.16%
	REC purchased	MWH	Nil
	Energy Intensity	TJ / Mn Rupee adjusted for PPP	0.10
	Energy Intensity	TJ / Lakh Goods Sold	Not Reported
Embracing circularity -	Plastic waste (A)	MT	33.87
	E-waste (B)	MT	1.45
	Bio-medical waste (C)	MT	0.11
	Construction and demolition waste (D)	MT	0
	Battery waste (E)	MT	0.15

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details related to waste management by the entity	Radioactive waste (F)	MT	0
	Other Hazardous waste. Please specify, if any. (G)	MT	0.01
	Other Non-hazardous waste generated (H).	MT	588.58
	Total waste generated ((A+B + C + D + E + F + G + H)	MT	624.17
	Waste intensity	MT / Rupee adjusted for PPP	0.16
	Waste intensity	MT / Lakh Goods Sold	-
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	MT	624.16*
	For each category of waste generated, total waste disposed by nature of disposal method	MT	0.11*
Enhancing Employee Wellbeing and Safety	Spending on measures towards well being of employees and workers - cost incurred as a % of total revenue of the company	In %age terms	0.26
	Safety Incidents: Permanent Disability	Nos.	0
	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	LTIFR	Employees: 0.06 Workers: 0.34
	No. of fatalities	Nos.	0
Enabling gender diversity in business	Gross wages paid to females as % of wages paid	In % age terms	28.31%
	Complaints on POSH	Total complaints on POSH	13
	Input material sourced from following sources as % of total purchases - Directly sourced from MSMEs I small producers and from within India	In % terms - As % of total purchases by value	Directly sourced from MSMEs/ Small Producers: 93.86%

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Enabling inclusive development			Directly from within India: 96.48%
	Job creation in smaller towns -Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage cost	In % terms -As % of total wage cost	Rural: 0.08% Semi-urban: 0.78% Urban: 13.61% Metropolitan: 85.52%
Fairness in Engaging with Customers and Suppliers	Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events	Nos.	0
	Number of days of accounts payable	Days	213.77
Openness of business	Purchases from trading houses as % of total purchases	%age	47.88%
	Number of trading houses where purchases are made from	Nos.	129
	Purchases from top 10 trading houses as % of total purchases from trading houses	%age	99.18%
	Sales to dealers / distributors as % of total sales	%age	6.13%
	Number of dealers/distributors to whom sales are made	Nos.	252
	Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	%age	76.30%
	Share of RPTs (as respective %age) in		
	Purchases (Purchases with related parties / Total Purchases)	%age	0.57%
	Sales (Sales to related parties / Total Sales)	%age	0.02%
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	%age	99.62%
	Investments	%age	76.49%

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	(Investments in related parties / Total Investments made)		

Note:

1. Waste disposed by nature of disposal method – Reported quantity is based on estimation and vendor disclosure certificates not available

Appendix B:

Sl No	Type	City	Address
I Offices			
1	Pantaloons, Mumbai HO	Mumbai	Piramal Agastya Corporate Park, Building 'A', 4th Floor, Unit No. 401, 403, L.B.S. Road, Kurla, Mumbai, Maharashtra- India,- 400070
2	ABFRL Corporate	Mumbai	Piramal Agastya Corporate Park, Building 'A', 5th Floor, Unit No. 501, 502, L.B.S. Road, Kurla, Mumbai, Maharashtra- India, - 400070
3	TCNS	New Delhi	119 & 127 W House Mandi Road, Sultanpur, off. Mehrauli Gurgaon Road, New Delhi -110030
4	Tasva	Gurugram	Indivinity Clothing Retail Private Limited, Plot No 707, Pace City II, Sector 37, Gurugram, Haryana 122002
5	S&N	Noida	F, 131, F Block, Sector 8, Noida, Uttar Pradesh 201301
6	Jaypore	Gurugram	665, Pace City II, Sector 37, Gurugram, Haryana - 122002, India.
7	House of Masaba	Mumbai	Universal House, Plot no. 80, 89, Marol Cooperative Industrial Estate Rd, Marol, Andheri East, Mumbai, Maharashtra 400059, India
II Sampling Units			
1	TCNS Sampling Unit	Gurugram	Plot No. 234, 1st and 2nd Floor, Phase 1, Udyog Vihar, Gurgaon, Haryana, 122016
2	Sabyasachi Sampling Unit – Topsia	Kolkata	Topsia : 80/2 Topsia Road South, Kolkata 700046
3	Sabyasachi – Sampling Unit – Active Business Unit	Kolkata	Active Business Park: 2nd, 3rd And 4th floor, 54/10, Debendra Chandra Dey Road, Tangra, Tangra, Kolkata, Kolkata, West Bengal, 700015

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III Factories			
1	Kanak	Kolkata	Ground and 1st Floor, 41, Kanak Building, Chowringhee Road, Kolkata, West Bengal, 700071
2	Ankurhati Block B and C block (Sabyasachi)	Kolkata	Regent SME Industrial Park, Howrah, , Kolkata, West Bengal, 700071
IV Warehouses			
1	Pantaloons West Warehouse	Thane	BGR warehouse complex, YUSEN logistics, Sr. no.31/2,31/3,31/4,31/5A, 31/7B, 44&45, Village Vahuli, Mumbai Nasik Highway, Post Padga, Bhiwandi, Thane - 421302
2	Pantaloons East Warehouse	Hooghly	Lace Barter Pvt Ltd, Shyam Industrial Park, Kapasharia, Dankuni Durgapur Express Highway, Hooghly -712306
3	Pantaloons North Warehouse	Gurugram	YUSEN Logistics -Kashra No. 5//24,25-Village Sampaka, Kashra No. 9//4, 5,6,/1,7/1,15/2,16/1, Opp Hanuman Ji Mandir, Nr Jamalpur Chowk, Gurgaon - 122503
4	Pantaloons South Warehouse	Bangalore	B-900, Survey No.16/P1, IndoSpace Industrial and Logistics Park Narsapura. Jakkasandra Industrial Area, Jakakasandra Village, Kasba Hobli, Malur Taluka, Kolar District, Kolar - 563130
5	TCNS Warehouse	Gurugram	Khasra No. 45//16 MIN , 46//11, 12,19,20 MIN, 45//24/1 MIN, 25/1, 46//21/1 Tehsil - Pataudi, Village, Chhawan, Gurugram, Haryana - 122414
6	Jaypore Warehouse	Noida	Plot No-19, Jaypore E-Commerce Private Limited, Sector 140, Noida, Uttar Pradesh 201305
V	**Retail Stores***		
Sl No	**Brands**	**No. of Stores**	**Area in Sq. ft**
1	Pantaloon	342	57,76,398
2	HOM	20	30,272

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3	Jaypore	41	76,163
4	S&N	20	29,130
5	Tasva	82	2,47,251
6	TCNS	324	3,66,901
7	OWND	79	5,91,026
8	Sabyasachi	3	50,504
	Total	**911**	**71,67,646**

*The number of stores and area occupied are as of March 31, 2026, within the reporting boundary.
*Reporting scope – Scope 2 data is reported for Company owned and company operated stores, Scope 1, water and waste not included from the stores

Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Fashion and Retail Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Aditya Birla Fashion and Retail Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of Cash Generating Units (CGUs) which include goodwill and acquired brands (Refer Note 5 to the standalone financial statements) The Company has goodwill of ₹ 1,994.72 crores and acquired brands amounting to ₹ 1,355.54 crores at March 31, 2026. Goodwill and brands were acquired through business combinations recorded in the prior years and allocated to CGUs of the Company. In accordance with Ind AS 36, Impairment of Assets, goodwill acquired in a business combination is required to be tested for impairment annually. Management has performed impairment assessment for each of the CGUs to which goodwill and related brands have been allocated by comparing the carrying amount of the assets relating to the CGUs, including the goodwill and brands, with the recoverable amount of the CGUs. Recoverable amount is the higher of value in use and fair value less costs of disposal.Impairment assessment requires significant management judgement and estimates such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates. Given the judgement, subjectivity and sensitivity of key parameters to the changes in economic conditions, the impairment assessment is considered to be a key audit matter.	Our audit procedures included the following: • Understood and evaluated the design and tested operating effectiveness of Company's controls to assess impairment, on an annual basis. • Evaluated whether the CGUs were determined and the goodwill and brands allocation was performed in accordance with requirements of Ind AS 36 and our knowledge of the Company's operations. • Evaluated the appropriateness of the approach selected by the management to determine the recoverable amount of the CGUs. • Evaluated the objectivity, competency and independence of the management expert engaged by the Company. • Evaluated the reasonableness of the cashflow projections by testing the key management assumptions and estimates used in the impairment analysis and assessed the consistency of the cashflow projections with the budgets approved by the Management. • Evaluated the sensitivity analysis performed by management on the growth rates and discount rates to determine whether reasonable changes in these key assumptions would result in the carrying amounts of individual CGUs to exceed their recoverable amounts. • Involved auditor's expert to assist in evaluating the impairment assessment including certain assumptions used. • Evaluated the adequacy of the disclosures made in the standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Impairment evaluation of Investments in and loans to subsidiaries (Refer Note 6(a) to the standalone financial statements) At March 31, 2026, the Company has investments in and has provided loans to the following subsidiaries: **Name of subsidiary** / **Amount (₹ In crores)** Jaypore E-Commerce Private Limited(#) — 458.66 Finesse International Design Private Limited — 100.27 Sabyasachi Calcutta LLP — 440.84 Indivinity Clothing Retail Private Limited(*) — 674.39 House of Masaba Lifestyle Private Limited — 172.09 Aditya Birla Digital Fashion Ventures Limited — 789.73 Goodview Fashion Private Limited — 194.60 (#) including inter corporate deposit of ₹ 128.90 crores. (*) including inter corporate deposit of ₹ 334.64 crores. The Company evaluates the recoverability of the carrying values of these investments in accordance with Ind AS 36 'Impairment of Assets'. Impairment assessment is performed and recoverable amounts of the investments are determined if indicators of impairment are identified. Management has considered losses suffered by these subsidiaries as an indicator for impairment assessment. Management has performed impairment assessment by determining the recoverable amount of the investments in these subsidiaries using the value in use method and comparing the same with the carrying value. Where the carrying value exceeds the recoverable amount, an impairment loss is recognized.	Our audit procedures included the following: • Understood and evaluated the design and tested operating effectiveness of Company's controls to assess impairment of its investments in subsidiaries. • Evaluated the appropriateness of the approach selected by the management to determine the recoverable amount • Evaluated the objectivity, competency and independence of the Management expert engaged by the Company. • Evaluated the reasonableness of the cashflow projections by testing the key management assumptions and estimates used in the impairment analysis and assessed the consistency of the cashflow projections with the budgets approved by Management. • Evaluated the sensitivity analysis performed by the Management on the recoverable amount and assessed whether any reasonably foreseeable changes in key assumptions could lead to impairment loss or material change in valuation. • Evaluated the Company's process regarding impairment assessment with the involvement of auditor's valuation experts to assist in assessing the appropriateness of the impairment model including independent assessment of certain assumptions underlying the cash flow projections, discount rate, terminal value etc. • Obtained the audited Standalone Financial Statements of the subsidiaries for the year ended March 31, 2026 and evaluated their financial performance. • Evaluated the adequacy of the disclosures made in the standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Determination of value in use involves use of projected cash flows based on financial budgets approved by the Management. Management has involved external experts to determine the recoverable amounts. Impairment evaluation of investment in subsidiaries is considered as a key audit matter as it requires significant management judgement and estimates in addition to consideration of economic and entity specific factors in determination of the recoverable value used in impairment assessment such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates which are subject to management judgement and subjectivity and might be affected by changes in economic conditions.	
Provision for Inventory obsolescence (Refer Notes 2.4(d) and 12 to the standalone financial statements) The Company held inventories of ₹ 1,932.18 crores at March 31, 2026. In accordance with Ind AS 2, Inventories, inventories are carried at lower of cost or net realizable value. The Company operates in a fast-changing fashion market where there is a risk of inventory falling out of fashion and proving difficult to be sold above cost. Management has a policy to recognize provisions for inventory considering assessment of future trends and the Company's past experience related to its ability to liquidate the aged inventory. The provision for inventory obsolescence has been considered as a key audit matter, as determination of provision for inventory involves significant management judgment and estimate.	Our audit procedures included the following: • Understood and evaluated the design and tested the operating effectiveness of Company's controls to assess the adequacy of provision for inventory obsolescence. • Evaluated the methodology used by the management to determine the provision for inventory obsolescence and determined that the method used is consistent with that applied in the prior year and with our understanding of the business. • Tested the ageing report including assessing its completeness and the underlying management judgements and estimates made. Further, tested on a sample basis whether the calculation of provision for obsolescence is in accordance with Company's policy. • Verified appropriate approvals for specific obsolescence provisions and assessed their reasonableness on a sample basis. • Evaluated the adequacy of the disclosures made in the standalone financial statements.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

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

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

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

Auditor's responsibilities for the audit of the standalone financial statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not 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 standalone financial statements.

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

    a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

    c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 15(h)(vi) below on the reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of certain books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the year.

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above and paragraph 15(h)(vi) below.

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 45 to the standalone financial statements)

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 57(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 57(vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which have the feature of recording audit trail (edit log) facility, and that have operated throughout the period for all relevant transactions recorded in the software, except for changes, if any, made by users with specific access at the application level and for direct database changes. During the course of performing our procedures, other than the aforesaid instances of audit trial not maintained where the question of our commenting does not arise, we did not notice any instance of audit trial feature being tampered with. Further, the audit trail, to the extent maintained in the prior years, has been preserved by the Company, as per the statutory requirements for record retention.

In respect of accounting software maintained by third party service providers, due to the absence of or insufficient information in the service auditors' report related to audit trail, we are unable to comment whether the audit trail feature of the aforesaid software were enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with. Further, the audit trail was not maintained in the prior years and hence the question of our commenting on whether the audit trail was preserved by the Company as per the statutory requirements for record retention does not arise.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

A.J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637SWGOLK4536
Place: Mumbai
Date: May 25, 2026

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Aditya Birla Fashion and Retail Limited on the standalone financial statements as of and for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to standalone financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Aditya Birla Fashion and Retail Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 applicable to an audit of internal financial controls and both issued by the 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

A.J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637SWGOLK4536
Place: Mumbai
Date: May 25, 2026

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Aditya Birla Fashion and Retail Limited on the standalone financial statements as of and for the year ended March 31, 2026

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The property, plant and equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) and 4(a) to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Leasehold properties (stores)	15.64	Pantaloons Fashion and Retail Limited	No	10 years (from January 2016)	Lease agreements are in name of erstwhile transferor companies
Leasehold properties (stores)	37.52	TCNS Clothing Co Ltd	No	1.5 years (From September 2024)	

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including right-of-use assets) or intangible assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements, does not arise.

ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account (Also, refer Note 57(iv) to the standalone financial statements).

iii. (a) The Company has made investments in two subsidiary companies, thirteen mutual fund schemes, commercial papers and bonds issued by three financial institutions and granted unsecured loans to three subsidiary companies and to other parties (i.e. employees). The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiaries and other parties are as per the table given below:

	Amount (in ₹ crores)
Aggregate amount granted/ provided during the year	
- Subsidiaries	281.11
- employees	0.39
Balance outstanding as at balance sheet date in respect of the above cases	
- Subsidiaries	281.11
- employees	0.25
(Also, refer Notes 6, 7 and 13 to the standalone financial statements)	

(b) In respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted/ investments were made are not prejudicial to the Company's interest.

(c) Principal and interest amounts on loans provided to subsidiaries are repayable on demand, accordingly, the question of our commenting on regularity of payment of principal and interest does not arise. In respect of loans to employees, schedule of repayment of principal has been stipulated, and the employees are repaying the principal amounts, as stipulated. Loans granted to employees are interest-free, accordingly, the question of our commenting on regularity of payment of interest does not arise.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) Following loans were granted during the year to related parties under Section 2(76) of the Act, which are repayable on demand:

	All Parties	Related Parties
Aggregate of loans/advances in nature of loan		
- Repayable on demand (A)	281.11	281.11
- Agreement does not specify any terms or period of repayment (B)	-	-
Total (A+B)	**281.11**	**281.11**
Percentage of loans/ advances in nature of loan to the total loans	100%	100%

(Also, refer Note 13 to the standalone financial statements)

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 of the Act. In our opinion, the Company has complied with the provisions of Section 186 of the Act in respect of the loans and investments made. The Company has not issued or provided any guarantees or security.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of tax deducted at source under the Income tax act, professional tax, goods and services tax and labour welfare fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, cess, and other material dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) The particulars of dues of income tax, sales tax, value added tax, goods and services tax, duty of excise, entry tax and other taxes charged by local bodies at March 31, 2026 which have not been deposited on account of a dispute are disclosed in Appendix I to this report. There are no statutory dues of provident fund, tax deducted at source, professional tax, labour welfare fund, employees' state insurance and duty of customs which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi.) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, except for an immaterial fraud identified by the Management in a division of its online business, involving an employee, aggregating to Rs.2.59 crores and for which the Management has taken appropriate steps including that for recovery, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

(b) A report under sub-section (12) of section 143 of the Companies Act has been filed by us, as Statutory auditor, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government of India. Further, no such report has been filed by any other auditor appointed by the Company under the Act.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report and our consideration of the complaints having any bearing on our audit is based on the information furnished to us by the management.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the director(s). Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group [as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025] has three CICs as part of the Group as detailed in Note 56 to the standalone financial statements.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) of the Act. Accordingly, there is no amount unspent as at March 31, 2026 and the reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

A.J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637SWGOLK4536
Place: Mumbai
Date: May 25, 2026

APPENDIX I

PARTICULARS OF TAX DUES NOT DEPOSITED ON ACCOUNT OF A DISPUTE

Referred to in paragraph vii(b) of Annexure B to the Independent Auditor's Report to the members of Aditya Birla Fashion and Retail Limited on the standalone financial statements as of and for the year ended March 31, 2026

Name of the statute	Nature of Dues	Gross value (₹ In crores)	Paid amount (₹ In crores)	Unpaid amount (₹ In crores)	Financial year to which the amount relates	Forum where the dispute is pending
Kerala Surcharge on Taxes Act, 1957	Surcharge on sales tax	0.64	0	0.64	2014-15 to 2016-17	The Supreme Court of India
Sales Tax/ Value Added Tax laws	Sales Tax/ VAT	0.2	-	0.2	2006-07	Value Added Tax Officer
		0.07	-	0.07	2007-08	Assistant Commissioner (Appeal), Trade & Tax Department New Delhi
		0.26	0.01	0.25	2008-09, 2009-10, 2015-16 and 2016-17	Assistant Commissioner (Appeal)
		0.01	-	0.01	2010-11	Appellate Tribunal
		0.06	-	0.06	2014-15	Special Commissioner, Trade & Taxes Delhi
		0.01	-	0.01	2014-15	Joint Commissioner of Sales Tax (Appeal), Bhubaneswar Range
	Entry Tax	0.28	-	0.28	2015-16 and 2017-18	The High Court, West Bengal
The Central Sales Tax Act, 1956 and Kerala Value Added Tax Act, 2003	Value added tax and Central Sales Tax	0.73	0.15	0.58	2017-18	Assistant Commissioner (Appeals) of State Goods and Service Tax Department, Kozhikode
Goods and Services tax Act, 2017, Maharashtra	Goods and Services Tax	16.89	0.78	16.11	2017-18	Deputy Commissioner of State tax, Maharashtra
		9.65	0.48	9.17	2020-21	Joint Commissioner (Appeals)
		13.77	-	13.77	2020-2021	Commissioner Appeal
		0.32	-	0.32	2020-21 to 2025-26	Custom, Excise and service tax appellate tribunal
Goods and Services tax Act, 2017, Rajasthan	Goods and Services Tax	0.63	0.09	0.54	2017-18	1st Appellate Authority (Appeals) (Rajasthan)
		0.42	0.02	0.4	2018-19	Office of Deputy Commissioner of State Tax, Circle-H, Zone-4
		0.09	-	0.09	2020-21	Assistant Commissioner of state tax
		0.89	-	0.89	2019-20 and 2020-21	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Uttar Pradesh	Goods and Services Tax	17.99	1.65	16.34	2017-18	The JCCT (Corporate) of State Tax, Kanpur-II, Kanpur-C
		9.99	0.7	9.29	2018-19	Joint Commissioner , Corporate Circle, Kanpur
		30.39	3.36	27.03	2019-20, 2020-21, and 2023-24	Joint Commissioner (Appeals)

Name of the statute	Nature of Dues	Gross value (₹ In crores)	Paid amount (₹ In crores)	Unpaid amount (₹ In crores)	Financial year to which the amount relates	Forum where the dispute is pending
Goods and Services tax Act, 2017, Uttar Pradesh	Goods and Services Tax	7.15	-	7.15	2024-25	Commissioner Appeal
Goods and Services tax Act, 2017, Delhi	Goods and Services Tax	6.38	0.3	6.08	2017-18	Assistant Commissioner, Ward-201, 203 and 206/KCS
		8.69	-	8.69	2018-19	Sales Tax officer, Class-II, Delhi
		21.08	-	21.08	2018-19	Sales Tax officer, Class-II (Special Audit Proceedings), Delhi
		8.22	0.58	7.64	2017-18 and 2020-21	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Andhra Pradesh	Goods and Services Tax	5.1	0.26	4.84	2017-18 to 2020-21	Deputy Commissioner (ST), Regional GST Audit & Enforcement office, Visakhapatnam
		0.16	-	0.16	2021-22	Commissioner Appeal
Goods and Services tax Act, 2017, Jammu & Kashmir	Goods and Services Tax	1.88	0.09	1.79	2018-19	Office of the state Tax, Circle-E, Jammu
		0.33	0.01	0.32	2019-20 and 2020-21	Joint Commissioner (Appeals)
		0.03	-	0.03	2021-22	Commissioner Appeal
Goods and Services tax Act, 2017, Bihar	Goods and Services Tax	1.38	0.07	1.31	2018-19	Office of Deputy Commissioner of State Tax
		0.87	0.02	0.85	2019-20 to 2020-21	Joint Commissioner (Appeals)
		0.54	-	0.54	2021-22	Commissioner Appeal
Goods and Services Tax Act, 2017, Karnataka	Goods and Services Tax	4.04	0.37	3.67	2018-19	Joint Commissioner, Bangalore East Commissionerate
		1.38	-	1.38	2017-18 and 2019-20	Joint Commissioner (Appeals)
		308.02	-	308.02	2019-2020 to 2022-23	The High Court, Karnataka
Goods and Services tax Act, 2017, Haryana	Goods and Services Tax	73.2	-	73.2	2018-19	Excise & Taxation Officer, Gurgaon-East
		7.26	0.07	7.19	2017-18, 2019-20 and 2020-21	Joint Commissioner (Appeals)
		13.29	-	13.29	2021-22	Commissioner Appeal
		9.37	-	9.37	2021-22	Excise & Taxation Officer of State Tax Proper Officer, SGST, Gurugram
		0.02	-	0.02	2025-26	Office of Assistant Excise and Taxation Office, Gurugram

Name of the statute	Nature of Dues	Gross value (₹ In crores)	Paid amount (₹ In crores)	Unpaid amount (₹ In crores)	Financial year to which the amount relates	Forum where the dispute is pending
Goods and Services tax Act, 2017, Jharkhand	Goods and Services Tax	0.53	0.05	0.48	2018-19	Assistant Commissioner of Central Tax
		0.1	-	0.1	2021-22	Commissioner Appeal
Goods and Services tax Act, 2017, Telangana	Goods and Services Tax	0.25	0.02	0.23	2018-19	Office of Superintendent of Central Tax
		0.14	-	0.14	2020-21	Assistant Commissioner - Appeal
		3.16	0.27	2.89	2017-18 to 2019-20	Joint Commissioner, Central Tax
Goods and Services tax Act, 2017, Tamil Nadu	Goods and Services Tax	4.73	0.24	4.49	2018-19	Assistant Commissioner of State Tax, Kotturpuram Assessment Circle, Chennai.
		5.33	0.09	5.24	2017-18, 2019-20 and 2020-21	Joint Commissioner (Appeals)
		1.17	-	1.17	2021-22	Commissioner Appeal
Goods and Services tax Act, 2017, Uttarakhand	Goods and Services Tax	11.78	0.31	11.47	2017-18 and 2018-19	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Madhya Pradesh	Goods and Services Tax	3.76	0.19	3.57	2018-19	Joint Commissioner (Appeals)
		0.58	-	0.58	2021-22	Commissioner Appeal
Goods and Services tax Act, 2017, Assam	Goods and Services Tax	4.74	0.22	4.52	2019-20 and 2020-21	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Orissa	Goods and Services Tax	1.03	0.06	0.97	2019-20 to 2021-22	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, West Bengal	Goods and Services Tax	12.98	0.66	12.32	2019-20	Joint Commissioner (Appeals)
		0.14	-	0.14	2017-18	West Bengal Commercial Taxes Appellate & Revisional Board
Goods and Services tax Act, 2017, Puducherry	Goods and Services Tax	0.13	0.01	0.12	2019-20	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Kerala	Goods and Services Tax	0.00*	-	0.00*	2019-20	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Punjab	Goods and Services Tax	2.47	0.12	2.35	2017-18 to 2021-22	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Goa	Goods and Services Tax	0.7	0.05	0.65	2020-21	Joint Commissioner (Appeals)
Goods and Services tax Act, 2017, Chandigarh	Goods and Services Tax	0.21	-	0.21	2020-21	Joint Commissioner (Appeals)
		1.64	-	1.64	2021-22	Commissioner Appeal
Goods and Services tax Act, 2017, Pondicherry	Goods and Services Tax	0.04	-	0.04	2020-21	Joint Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	2.25	-	2.25	2015-16 to 2017-18	Commissioner of Income tax – Appeals

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

₹ in Crore

			Notes	As at March 31, 2026	As at March 31, 2025
ASSETS					
I	**Non-current assets**				
	(a)	Property, plant and equipment	3a	**731.34**	515.91
	(b)	Capital work-in-progress	3b	**32.03**	149.67
	(c)	Right-of-use assets	4a	**2,674.31**	2,174.60
	(d)	Goodwill	5	**1,994.72**	1,994.72
	(e)	Other intangible assets	5	**1,427.02**	1,504.01
	(f)	Financial assets			
		(i) Investment in subsidiaries	6a	**2,367.29**	2,302.36
		(ii) Other investments	6b	**31.80**	24.36
		(iii) Loans	7	**0.02**	-
		(iv) Security deposits	8	**312.21**	271.90
		(v) Other financial assets	9	**282.35**	276.01
	(g)	Deferred tax assets (net)	10	**208.22**	103.85
	(h)	Non-current tax assets (net)		**38.36**	13.79
	(i)	Other non-current assets	11	**13.27**	17.96
	Total - Non-current assets			**10,112.94**	**9,349.14**
II	**Current assets**				
	(a)	Inventories	12	**1,932.18**	1,776.24
	(b)	Financial assets			
		(i) Current investments	6c	**695.74**	1,438.79
		(ii) Loans	13	**469.51**	216.48
		(iii) Security deposits	14	**84.38**	81.81
		(iv) Trade receivables	15	**166.55**	148.48
		(v) Cash and cash equivalents	16	**47.96**	733.70
		(vi) Bank balance other than cash and cash equivalents	17	**400.42**	0.28
		(vii) Other financial assets	18	**42.17**	22.74
	(c)	Other current assets	19	**754.62**	513.36
	Total - Current assets			**4,593.53**	**4,931.88**
	TOTAL - ASSETS			**14,706.47**	**14,281.02**

₹ in Crore

			Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES					
I	**Equity**				
	(a)	Equity share capital	20	**1,220.54**	1,220.26
	(b)	Other equity	21	**6,749.79**	7,077.60
	Total - Equity			**7,970.33**	**8,297.86**
II	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	22	**745.45**	744.08
		(ii) Lease liabilities	4b	**2,421.93**	1,992.63
		(iii) Deposits		**12.55**	13.88
		(iv) Other financial liabilities	23	**304.89**	270.81
	(b)	Provisions (Employee benefit obligation)	24	**85.67**	58.56
	(c)	Other non-current liabilities	25	**2.17**	2.60
	Total - Non-current liabilities			**3,572.66**	**3,082.56**
III	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	26	**2.61**	13.88
		(ii) Lease liabilities	4b	**746.21**	646.42
		(iii) Trade payables			
		Total outstanding dues of micro enterprises and small enterprises	27a	**75.40**	53.58
		Total outstanding dues of creditors other than micro enterprises and small enterprises	27a	**1,773.81**	1,675.84
		(iv) Supplier's credit	27b	**131.73**	109.50
		(v) Deposits		**5.45**	4.03
		(vi) Other financial liabilities	28	**186.00**	165.51
	(b)	Provisions (Employee benefit obligation)	29	**77.31**	70.48
	(c)	Other current liabilities	30	**164.96**	161.36
	Total - Current liabilities			**3,163.48**	**2,900.60**
	TOTAL - EQUITY AND LIABILITIES			**14,706.47**	**14,281.02**
Basis of preparation			2		

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

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No : 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of
Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

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

₹ in Crore

		Notes	Year ended March 31, 2026	Year ended March 31, 2025
A	**Continuing Operations:**			
I	Revenue from operations	31	**5,906.03**	5,608.90
II	Other income	32	**215.94**	198.17
III	**Total income (I + II)**		**6,121.97**	5,807.07
IV	**Expenses**			
	(a) Cost of materials consumed	33a	**221.73**	172.27
	(b) Purchase of stock-in-trade	33b	**2,722.85**	2,486.97
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	**(142.76)**	(16.88)
	(d) Employee benefits expense	34	**798.44**	747.79
	(e) Finance costs	35	**333.60**	447.21
	(f) Depreciation and amortisation expense	36	**1,040.96**	923.93
	(g) Rent expense	44a & 4a	**164.97**	175.50
	(h) Other expenses	37	**1,411.34**	1,283.37
	Total expenses		**6,551.13**	6,220.16
V	**Profit/ (loss) before exceptional items and tax from continuing operations (III - IV)**		**(429.16)**	(413.09)
VI	Exceptional items	37a	**(29.89)**	-
VII	**Profit/ (loss) before tax from continuing operations (V + VI)**		**(459.05)**	(413.09)
VIII	**Income tax expense**			
	(a) Current tax	38	**-**	-
	(b) Deferred tax charge/ (credit)	38	**(107.56)**	(109.06)
			(107.56)	(109.06)
IX	**Net profit/(Loss) after tax for the year from continuing operations (VII - VIII)**		**(351.49)**	(304.03)
B	**Discontinued operations:**			
X	Revenue from operations		**-**	7,636.30
XI	Other income		**-**	77.27
XII	Expenses		**-**	7,377.74
XIII	Exceptional items	37a	**-**	98.33
XIV	**Profit/(loss) before tax from discontinued operations (X+XI-XII-XIII)**		**-**	237.50
XV	Tax expense/ (credit)		**-**	61.00
XVI	**Net profit/ (loss) after tax from discontinued operations (XIV - XV)**		**-**	176.50
XVII	**Net profit/ (loss) after tax from continuing and discontinued operations (IX + XVI)**		**(351.49)**	(127.53)

₹ in Crore

		Notes	Year ended March 31, 2026	Year ended March 31, 2025
XVIII	**Other comprehensive income from continuing operations**			
	Items that will not be reclassified to profit or loss			
	(a) Re-measurement gains/ (losses) on defined benefit plans	21	**5.24**	(1.09)
	Income tax effect on above		**(1.32)**	0.28
	(b) Fair value gains/ (losses) on equity instruments	21	**7.44**	3.34
	Income tax effect on above		**(1.87)**	(0.84)
	Other comprehensive income from discontinued operations			
	Items that will not be reclassified to profit or loss			
	(a) Re-measurement gains/ (losses) on defined benefit plans		**-**	(4.30)
	Income tax effect on above		**-**	1.08
	Total other comprehensive income for the year from continuing and discontinued operations		**9.49**	(1.53)
XIX	**Total comprehensive income for the year from continuing and discontinued operations (XVII + XVIII)**		**(342.00)**	(129.06)
XX	**Earnings per equity share [Nominal value of share ₹ 10 (March 31, 2025 : ₹ 10)]**	39		
	Earnings per share for continuing operations			
	(a) Basic (₹)		**(2.89)**	(2.80)
	(b) Diluted (₹)		**(2.89)**	(2.80)
	Earnings per share for discontinued operations			
	(a) Basic (₹)		**-**	1.62
	(b) Diluted (₹)		**-**	1.62
	Earnings per share for continuing and discontinued operations			
	(a) Basic (₹)		**(2.89)**	(1.18)
	(b) Diluted (₹)		**(2.89)**	(1.18)
Basis of preparation		2		

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

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No : 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of
Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

a. Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued				
As at the beginning of the year	**1,22,04,66,450**	**1,220.47**	**1,01,52,15,146**	**1,015.22**
Issue of equity shares on preferential basis [Refer Note - 20(iii)]	**-**	**-**	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note - 20(iv)]	**-**	**-**	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation [Refer Note - 20(vii)]	**-**	**-**	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	**277,246**	**0.28**	4,82,075	0.48
As at the end of the year	**1,22,07,43,696**	**1,220.75**	**1,22,04,66,450**	**1,220.47**

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up				
As at the beginning of the year	**1,22,02,60,946**	**1,220.26**	**1,01,50,09,642**	**1,015.01**
Issue of equity shares on preferential basis [Refer Note - 20(iii)]	**-**	**-**	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note - 20(iv)]	**-**	**-**	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation [Refer Note - 20(vii)]	**-**	**-**	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	**2,77,246**	**0.28**	4,82,075	0.48
As at the end of the year	**1,22,05,38,192**	**1,220.54**	**1,22,02,60,946**	**1,220.26**

b. Other equity

₹ in Crore

	Share application money pending allotment (Refer Note - 21)	Share suspense account (Refer Note - 21)	Reserves and surplus						Other equity (Refer Note - 21)	Other comprehensive income		Total other equity
			Securities premium (Refer Note - 21)	Retained earnings (Refer Note - 21)	Share options outstanding account (Refer Note - 21)	Treasury shares (Refer Note - 21)	General reserve (Refer Note -21)	Capital reserve (Refer Note - 21)		Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)	Fair value gains/ (losses) on equity instruments (Refer Note - 21)	
As at April 01, 2024	0.04	55.76	5,635.10	(1,365.34)	81.81	(111.31)	36.70	299.48	1.64	(3.09)	7.48	4,638.27
Equity shares issued to non-controlling shareholders upon amalgamation [Refer Note - 20(vii)]	-	(55.74)	-	-	-	-	-	-	-	-	-	(55.74)
Loss for the year	-	-	-	(127.53)	-	-	-	-	-	-	-	(127.53)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	(4.03)	2.50	(1.53)
Issue of equity shares on preferential basis [Refer Note - 20(iii)]	-	-	2,258.97	-	-	-	-	-	-	-	-	2,258.97
Issue of equity shares to qualified institutional buyers [Refer Note - 20(iv)]	-	-	1,764.52	-	-	-	-	-	-	-	-	1,764.52
Share issue expenses	-	-	(12.53)	-	-	-	-	-	-	-	-	(12.53)
Share based payment expense	-	-	-	-	2.46	-	-	-	-	-	-	2.46
ESOP of the Subsidiaries issued to the employees	-	-	-	-	-	-	-	-	0.58	-	-	0.58
Exercise price received pending allotment	0.27	-	-	-	-	-	-	-	-	-	-	0.27
Treasury shares Issued/ (purchased) by ESOP Trust (Net)	-	-	-	-	-	7.15	-	-	-	-	-	7.15
Issue of shares upon exercise of options	-	-	10.73	-	(9.54)	-	-	2.90	-	-	-	4.09
Net assets transferred in accordance to Scheme of Arrangement (Refer note - 51)	-	-	-	(1,359.89)	(41.49)	-	-	-	-	-	-	(1,401.38)
As at March 31, 2025	0.31	0.02	9,656.79	(2,852.76)	33.24	(104.16)	36.70	302.38	2.22	(7.12)	9.98	7,077.60

b. Other equity

₹ in Crore

	Share application money pending allotment (Refer Note - 21)	Share suspense account (Refer Note - 21)	Reserves and surplus						Other equity (Refer Note - 21)	Other comprehensive income		Total other equity
			Securities premium (Refer Note - 21)	Retained earnings (Refer Note - 21)	Share options outstanding account (Refer Note - 21)	Treasury shares (Refer Note - 21)	General reserve (Refer Note -21)	Capital reserve (Refer Note - 21)		Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)	Fair value gains/ (losses) on equity instruments (Refer Note - 21)	
As at April 1, 2025	0.31	0.02	9,656.79	(2,852.76)	33.24	(104.16)	36.70	302.38	2.22	(7.12)	9.98	7,077.60
Loss for the year	-	-	-	(351.49)	-	-	-	-	-	-	-	(351.49)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	3.92	5.57	9.49
Share based payment expense	-	-	-	-	5.34	-	-	-	-	-	-	5.34
ESOP of the Subsidiaries issued to the employees	-	-	-	-	-	-	-	-	0.30	-	-	0.30
Cancellation of Investment in Equity shares of Resultant Company	-	-	-	-	-	-	-	(0.05)	-	-	-	(0.05)
Resultant company shares held by ESOP trust	-	-	-	(62.25)	-	62.25	-	-	-	-	-	-
Treasury shares Issued/ (purchased) by ESOP Trust (Net)	-	-	-	-	-	3.99	-	-	-	-	-	3.99
Sale of treasury shares in open market	-	-	-	-	-	8.50	-	(2.81)	-	-	-	5.69
Issue of shares upon exercise of options	(0.27)	-	2.13	-	(3.51)	-	-	0.57	-	-	-	(1.08)
As at March 31, 2026	**0.04**	**0.02**	**9,658.92**	**(3,266.50)**	**35.07**	**(29.42)**	**36.70**	**300.09**	**2.52**	**(3.20)**	**15.55**	**6,749.79**

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

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ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No : 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of
Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

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

₹ in Crore

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from operating activities			
Profit/(Loss) before tax from continuing operations		**(459.05)**	(413.09)
Profit/(Loss) before tax from discontinuing operations		**-**	237.50
Adjustments for:			
Depreciation, impairment and amortisation expense		**1,040.96**	1,562.14
Finance costs		**333.60**	824.17
Gain on termination of right-of-use assets		**(24.59)**	(38.20)
Profit on sale of property, plant and equipment and intangible assets		**(6.47)**	(0.65)
Fair value changes in derivative financial instrument (net)		**5.85**	19.66
Share-based payment expense		**(7.31)**	41.33
Interest income		**(73.59)**	(34.86)
Liabilities no longer required written back		**(3.89)**	(2.37)
Net gain on current investments (including on redemption)		**(68.09)**	(52.83)
Unrealised foreign exchange loss (net)		**1.97**	14.54
Gain on financial assets/ liabilities that is designated as fair value through profit or loss		**-**	(42.25)
Interest income from financial assets at amortised cost		**(34.52)**	(81.66)
Provision for doubtful debts, deposits and advances		**5.17**	5.87
Bad debts written off		**0.18**	0.90
Operating profit before working capital changes		**710.22**	2,040.20
Changes in working capital:			
(Increase)/ decrease in trade receivables		**(23.99)**	(456.25)
(Increase)/ decrease in inventories		**(155.94)**	70.44
(Increase)/ decrease in other assets		**(249.99)**	10.22
Increase/ (decrease) in trade payables		**123.47**	217.13
Increase/ (decrease) in provisions		**52.10**	0.98
Increase/ (decrease) in other liabilities		**1.92**	(33.98)
Cash generated from/ (used) in operations		**457.79**	1,848.74
Income taxes paid (net of refund)		**(24.57)**	(8.19)
Net cash flows from/ (used) in operating activities		**433.22**	1,840.55
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		**(325.70)**	(469.83)
Proceeds from sale of property, plant and equipment and intangible assets		**47.77**	25.25
Investment in subsidiaries		**(67.50)**	(405.11)
(Purchase) / proceeds from sale or redemption of current investments (net)		**811.14**	(679.54)
Investment in fixed deposits		**(400.00)**	-
Inter-corporate deposits to subsidiaries		**(281.11)**	(258.91)
Repayment of Inter-corporate deposits by subsidiaries		**28.20**	300.00
Interest received		**53.94**	32.94
Net cash flows from/ (used) in investing activities		**(133.26)**	(1,455.20)

₹ in Crore

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from financing activities			
Proceeds from issue of equity shares		**0.40**	10.27
Proceeds from Preferential Issue of equity shares (net off share issue expenses)		**-**	2,339.41
Proceeds from QIP Issue of equity shares (net off share issue expenses)		**-**	1,833.11
Treasury shares issued/ (purchased) by ESOP Trust		**8.47**	7.15
Proceeds from non-current borrowings (net off charges)		**-**	500.00
Repayment of non-current borrowings		**(0.22)**	(2,011.73)
Proceeds/ (repayments) from current borrowings (net)		**(11.18)**	(715.58)
Increase/ (decrease) in supplier's credit		**22.23**	(37.50)
Repayment of lease liabilities		**(676.61)**	(1,043.55)
Interest payment on lease liabilities		**(258.94)**	(412.84)
Interest paid		**(69.85)**	(372.92)
Net cash flows from/ (used) in financing activities		**(985.70)**	95.82
Net (decrease)/ increase in cash and cash equivalents		**(685.74)**	481.17
Cash and cash equivalents at the beginning of the year		**733.70**	305.50
Cash transferred pursuant to Scheme of Arrangement		**-**	(52.97)
Cash and cash equivalents at the end of the year	16	**47.96**	733.70
Components of Cash and cash equivalents			
Balances with banks - on current accounts		**34.39**	126.09
Balances with banks - on deposit accounts (original maturity less than 3 months)		**-**	581.00
Balances with credit card companies		**3.41**	10.00
Balances with e-wallet companies		**1.81**	1.43
Cash on hand		**8.35**	15.18
Cheques/ drafts on hand		**-**	0.00
Total Cash and cash equivalents		**47.96**	733.70

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

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(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

1. Corporate information

Aditya Birla Fashion and Retail Limited (the "Company"), a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) and Non-Convertible Debentures are listed in the Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company is engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The standalone financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 25, 2026.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The financial statements have been prepared on accrual basis under the historical cost convention, except the following assets and liabilities, which have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments);
- Defined employee benefit plans;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Company presents assets and liabilities in the Standalone Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Critical Accounting Judgements, Estimates And Assumptions

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the 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. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

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

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and the following 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget does not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note - 5a

(b) Taxes

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

(c) As at March 31, 2026, the Company has ₹ 2,005.08 Crore (March 31, 2025: 1,739.23 crore) of tax losses carried forward as per income tax records of the Company. These losses pertain to unabsorbed business loss as at March 31, 2025 ₹ 825.67 Crores (March 31, 2025: ₹ 895.55 Crores) which has an expiry of eight years and unabsorbed depreciation loss as at March 31, 2025 ₹ 1,179.41 Crore (March 31, 2024: ₹ 843.68 Crore) which do not have any expiry period. Further details on taxes are disclosed in Notes - 10 and 38.

(d) Provision on inventories

The Company has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Company provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(e) Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

(f) Valuation of Put Option and Call Option

The fair value of financial liability (put option) arising from acquisition agreements, has been determined by discounting consideration payable at the time of exercise of the put option as per the terms of the agreement, using appropriate valuation model. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of the put option. The fair value of financial asset (call option) arising from terms of acquisition agreements, has been determined by discounting the call option payoff, using an appropriate discount rate, considering the terms of the agreement. Such valuation includes assumptions such as discount rate, future cashflow and EBITDA estimates. Such assumptions are reviewed at each reporting date.

(g) Going concern

Management has considered the cash and cash equivalents and current investments at March 31, 2026, committed undrawn borrowing facilities available and also evaluated the future cash flow projections for a period of 12 months from the balance sheet date. Based on the said assessment, the management believes that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the financial statements have been prepared on a going concern basis.

(h) Useful life of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Company determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges (Refer note 3a).

2.5 New and amended standards adopted by the Company:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 and August 13, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended the following accounting standards. These amendments are effective from April 01, 2025.

(a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

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

(b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

The Company has reviewed the amendment and provided the disclosure in the standalone financial statement (Refer Note 27).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(c) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12

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.

(d) Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

2.6 New standards or amendments not yet adopted:

(a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its operations or standalone financial statements.

NOTE 3a : PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold building	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 – 6 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 – 10 years (Refer Note below)
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Electric Installations	Furniture and fixtures	10 years	5 – 10 years (Refer Note below)
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	5 – 10 years (Refer Note below)
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Note: Management has re-estimated the useful life of certain assets (Refer Below) with effect from January 1, 2026. Further the management has also re-estimated the residual values of furniture and fittings, electrical installations and air conditioner. The above changes in the estimates have resulted in reduction in the depreciation cost by ₹ 13.65 Crores for the year ended March 31, 2026.

Class Description	Stores (Useful Life)		Non - Stores (Useful Life)	
	Till 31 Dec 2025	From 01 Jan 2026	Till 31 Dec 2025	From 01 Jan 2026
Furniture and Fittings	5-6	**5-10**	5-7	**5-10**
Electrical Installations	5-6	**5-10**	5-6	**5-10**

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

See note 55 for other accounting policies relevant to property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

Cost	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
As at April 01, 2024	**5.92**	**43.99**	**264.65**	**560.08**	**179.06**	**734.18**	**198.51**	**39.87**	**2,026.24**
Additions	-	0.19	30.33	100.48	29.84	161.85	25.83	26.89	**375.41**
Adjustment#	-	-	73.39	14.32	7.78	260.08	(56.58)	0.28	**299.27**
Disposals	-	-	38.29	60.64	37.12	91.04	9.76	6.52	**243.37**
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	5.92	44.18	321.00	233.32	57.11	319.30	34.94	40.79	**1,056.56**
As at March 31, 2025	**-**	**-**	**9.08**	**380.92**	**122.45**	**745.77**	**123.06**	**19.73**	**1,400.99**
Additions	-	-	5.66	260.97	35.19	112.78	24.34	7.61	**446.55**
Disposals	-	-	0.28	21.13	24.28	74.80	16.60	0.51	**137.60**
As at March 31, 2026	**-**	**-**	**14.46**	**620.76**	**133.36**	**783.75**	**130.80**	**26.83**	**1,709.94**
Depreciation									
As at April 01, 2024	**-**	**10.29**	**126.83**	**290.21**	**112.69**	**399.08**	**93.19**	**8.17**	**1,040.44**
Depreciation for the year (Refer Note - 36)	-	1.19	17.56	82.29	28.65	119.11	23.64	9.49	**281.92**
Adjustment#			45.68	21.69	9.33	236.45	(14.29)	0.41	**299.27**
Disposals	-	-	37.63	57.72	35.04	81.78	7.98	3.22	**223.37**
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	-	11.48	146.18	117.99	22.62	188.80	17.45	8.67	**513.18**
As at March 31, 2025	**-**	**-**	**6.26**	**218.48**	**93.01**	**484.06**	**77.11**	**6.18**	**885.08**
Depreciation for the year (Refer Note: 36)	-	-	2.03	60.84	19.10	83.08	19.07	5.78	**189.90**
Disposals	-	-	0.05	19.16	21.92	46.35	8.61	0.29	**96.38**
As at March 31, 2026	**-**	**-**	**8.24**	**260.16**	**90.19**	**520.79**	**87.57**	**11.67**	**978.60**
Net carrying value as at:									
March 31, 2026	**-**	**-**	**6.22**	**360.60**	**43.17**	**262.96**	**43.23**	**15.16**	**731.34**
March 31, 2025	**-**	**-**	**2.82**	**162.44**	**29.44**	**261.71**	**45.95**	**13.55**	**515.91**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Net carrying value

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment	**731.34**	515.91
Total	**731.34**	**515.91**

Represents adjustments on account of deletions to property plant and equipment, post the date of transition to Ind AS, which were recorded by considering their cost of acquisition and accumulated depreciation since the date of capitalisation. The assets which were sold / discarded were recorded at their deemed cost by the Company on the date of transition to Ind AS. The said adjustment did not have any impact on the net carrying value of the property, plant and equipment.

NOTE 3b : CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital work-in-progress	**32.03**	149.67
Total	**32.03**	**149.67**

Ageing of Capital work-in-progress as on March 31, 2026

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	28.06	3.97	-	-	32.03
(ii) Projects temporarily suspended	-	-	-	-	-

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	106.06	43.61	-	-	149.67
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE 4 : RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not considered as an identified assets;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Where the Company is the lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The estimated useful lives of right-of-use assets are determined on the same basis as a property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Lease liabilities

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Standalone Balance Sheet.

Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases 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.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset is classified as an operating lease. Assets subject to operating leases are included in the property, plant and equipment. Rental income on an operating lease is recognised in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Standalone Statement of Profit and Loss.

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipment	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost								
As at April 01, 2024	**10.42**	**6,642.33**	**21.30**	**3.90**	**111.34**	**6.42**	**-**	**6,795.71**
Additions	-	1,401.28	-	-	4.51	-	-	**1,405.79**
Termination	-	776.43	-	-	1.07	-	-	**777.50**
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	10.42	2,741.11	15.60	-	89.47	3.49	-	**2,860.09**
As at March 31, 2025	**-**	**4,526.07**	**5.70**	**3.90**	**25.31**	**2.93**	**-**	**4,563.91**
Additions	-	1,324.40	26.83	2.25	33.12	2.20	2.91	**1,391.71**
Termination	**-**	199.70	**-**	**-**	**-**	**-**	**-**	**199.70**
As at March 31, 2026	**-**	**5,650.77**	**32.53**	**6.15**	**58.43**	**5.13**	**2.91**	**5,755.92**
Depreciation								
As at April 01, 2024	**0.91**	**3,010.53**	**14.37**	**2.39**	**71.53**	**3.65**	**-**	**3,103.38**
Depreciation for the year (Refer Note - 36)#	0.11	1,062.30	3.91	1.00	19.95	1.29	-	**1,088.55**
Termination	-	564.24	-	-	0.21	-	-	**564.45**
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	**1.02**	**1,151.70**	**13.17**	**-**	**69.81**	**2.48**	**-**	**1,238.17**
As at March 31, 2025	**-**	**2,356.89**	**5.11**	**3.39**	**21.46**	**2.46**	**-**	**2,389.31**
Depreciation for the year (Refer Note - 36)#	-	758.73	5.78	0.54	5.10	0.43	0.07	**770.65**
Termination	-	78.35	-	-	-	-	-	**78.35**
As at March 31, 2026	**-**	**3,037.27**	**10.89**	**3.93**	**26.56**	**2.89**	**0.07**	**3,081.61**
Net carrying value as at:								
March 31, 2026	**-**	**2,613.50**	**21.64**	**2.22**	**31.87**	**2.24**	**2.84**	**2,674.31**
March 31, 2025	**-**	**2,169.18**	**0.59**	**0.51**	**3.85**	**0.47**	**-**	**2,174.60**

During the year depreciation of ₹ 6.82 crores (March 31, 2025: ₹ 13.59 crores) has been transferred to Capital work-in progress for property under construction.

Net carrying value

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Right-of-use assets	**2,674.31**	2,174.60
Total	**2,674.31**	**2,174.60**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening balance	**2,639.05**	**4,555.17**
Additions	**1,354.11**	1,454.53
Terminations*	**(156.20)**	(283.53)
Interest expense on lease liabilities#	**266.73**	428.92
Lease Payments	**(935.55)**	(1,535.78)
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	**-**	(1,980.26)
Closing balance	**3,168.14**	**2,639.05**

Note: Lease liabilities includes liabilities for net investment in sub-lease amounting to ₹ 58.48 crore (March 31, 2025: ₹ 79.66 crore).

*Termination includes carrrying value of leases which have been derecognised upon sub-lease arrangements entered into by the Company amounting to ₹ 10.26 Crore.

During the year interest expense on lease liabilities of ₹ 7.79 crores (March 31, 2025: ₹ 16.08 crore) has been transferred to Capital work-in progress for property under construction.

Current	**746.21**	**646.42**
Non-current	**2,421.93**	**1,992.63**

For maturity analysis of lease liabilities, refer Note - 44a.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 5 : GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

Amortisation methods and periods

A summary of amortisation policies applied to the Company's intangible assets is as below:

Intangible assets	Useful life	Amortisation method used
Computer software	3 - 4 years	Amortised on straight-line basis
Brands/ trademarks	10 - 30 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	10 years	Amortised on straight-line basis over the period of franchise agreement

See note 55 for other accounting policies relevant to Intangible Assets

₹ in Crore

Cost	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
As at April 01, 2024	**2,686.77**	**1,524.52**	**192.45**	**1.84**	**592.68**	**4,998.26**
Additions	-	5.29	60.91	5.93	-	**72.13**
Adjustment#	-	-	4.57	-	-	**4.57**
Disposals	-	1.63	27.02	-	33.81	**62.46**
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	692.05	13.77	108.18	6.36	528.56	**1,348.92**
As at March 31, 2025	**1,994.72**	**1,514.41**	**122.73**	**1.41**	**30.31**	**3,663.58**
Additions	-	-	10.24	-	-	**10.24**
Disposals/Retired	-	-	0.43	-	-	**0.43**
As at March 31, 2026	**1,994.72**	**1,514.41**	**132.54**	**1.41**	**30.31**	**3,673.39**
Amortisation						
As at April 01, 2024	**-**	**50.55**	**120.73**	**1.68**	**61.54**	**234.51**
Amortisation for the year (Refer Note - 36)	-	57.25	36.46	(0.00)	28.73	**122.44**
Impairment	64.38	-	-	-	18.44	**82.82**
Adjustment#	-	-	4.57	-	-	**4.57**
Disposals	-	-	26.82	-	33.81	**60.63**
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	64.38	7.57	76.80	0.27	69.84	**218.86**
As at March 31, 2025	**-**	**100.23**	**58.14**	**1.41**	**5.06**	**164.85**
Amortisation for the year (Refer Note - 36)	-	58.64	25.54	-	3.05	**87.23**
Disposals	-	-	0.43	-	-	**0.43**
As at March 31, 2026	**-**	**158.87**	**83.25**	**1.41**	**8.11**	**251.65**
Net carrying value as at:						
March 31, 2026	**1,994.72**	**1,355.54**	**49.29**	**-**	**22.20**	**3,421.74**
March 31, 2025	**1,994.72**	**1,414.18**	**64.59**	**-**	**25.25**	**3,498.73**

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Goodwill	**1,994.72**	1,994.72
Other intangible assets	**1,427.02**	1,504.01
Total	**3,421.74**	**3,498.73**

Represents adjustments on account of deletions to intangible assets, post the date of transition to Ind AS, which were recorded by considering their cost of acquisition and accumulated amortisation since the date of capitalisation. The assets which were sold / discarded were recorded at their deemed cost by the Company on the date of transition to Ind AS. The adjustment did not have any impact on the net carrying value of the intangible assets.

NOTE 5a : IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Pantaloons CGU

2. TCNS CGU

Pantaloons CGU

During the year ended March 31, 2013, the Company acquired Pantaloons format business ("Pantaloons business") from Future Retail Limited ("FRL"), which consisted of fashion retail business operating under the brand name "Pantaloons". Pantaloons is a leading large format fashion retailer engaged in retailing of apparel and accessories.

TCNS CGU

ABFRL acquired TCNS Clothing Co. Ltd. ('TCNS') on September 26, 2023. TCNS has been amalgamated with the Company pursuant to the scheme of arrangement which was approved by the NCLT on August 2, 2023. TCNS owns 'W', 'Aurelia', 'Elleven' and 'Wishful'. TCNS has retail stores across the country selling women's branded apparel. TCNS is considered as separate CGU by the Company.

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Pantaloons CGU	**1,167.55**	1,167.55
TCNS CGU	**827.17**	827.17
Total	**1,994.72**	**1,994.72**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Disclosures with respect to Goodwill allocated to the CGUs

Value in use calculation of CGUs:

The recoverable amount of the CGUs as at March 31, 2026, have been determined based on value in use method using cash flow projections from financial budgets approved by the management covering a three - year period ending March 31, 2029 and cash flow projections for financial years 2030 and 2031 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2031. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to each 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 of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. 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 post-tax discount rate.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the respective CGU is operating. The growth rate is in line with the long-term growth rate of the industry. The growth rate of these CGUs considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions is likely to result in the recoverable amount of the CGUs being less than their carrying amount.

	Terminal Growth Rate		Discount Rate	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Pantaloons CGU	**5.00%**	5.00%	**12.50%**	12.50%
TCNS CGU	**5.00%**	5.00%	**15.00%**	15.00%

NOTE 6(a) : NON-CURRENT FINANCIAL ASSETS - INVESTMENT IN EQUITY OF SUBSIDIARIES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
(a) Investments in subsidiaries		
Investments in subsidiaries: (Carried at cost)		
Unquoted equity instruments		
2,13,65,287 (March 31, 2025: 2,13,65,287) fully paid equity shares of ₹ 10/- each of Jaypore E-Commerce Private Limited (Refer Note - 1 below)	**329.76**	329.76
10,000 (March 31, 2025: 10,000) fully paid equity shares of ₹ 10/- each of TG Apparel & Decor Private Limited (Refer Note - 1 below)	**0.25**	0.25
10,89,326 (March 31, 2025: 10,56,066) fully paid equity shares of ₹ 10/- each of Finesse International Design Private Limited (Refer Note - 2 below)	**100.27**	97.77
Sabyasachi Calcutta LLP	**440.84**	440.84
Share of Profit Ratio: Aditya Birla Fashion and Retail Limited - 51% Mr. Sabyasachi Mukherjee - 49% (Refer Note - 3 below)		
8,92,51,312 (March 31, 2025: 8,92,51,312) fully paid equity shares of ₹ 10/- each of Indivinity Clothing Retail Private Limited (Refer Note - 4 below)	**339.75**	339.75
8,29,341 (March 31, 2025: 6,02,807) fully paid equity shares of ₹ 10/- each of House of Masaba Lifestyle Private Limited (Refer Note - 5 below)	**172.09**	107.09
77,26,64,284 (March 31, 2025: 50,00,00,000) fully paid equity shares of ₹ 10/- each of Aditya Birla Digital Fashion Ventures Limited (Refer Note - 6 below)	**789.73**	500.00
Nil (March 31, 2025: 3,50,00,000) fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited (Refer Note - 7 below)*	**-**	35.00
5,449 (March 31, 2025: 5,449) fully paid equity shares of ₹ 10/- each of Goodview Fashion Private Limited (GFPL) (Refer Note - 8 below)	**194.60**	194.60
Nil (March 31, 2025: 50,000) fully paid equity shares of ₹ 10/- each of Aditya Birla Lifestyle Brands Limited	**-**	0.05
Less :- Transferred pursuant to Scheme of arrangement*	**-**	(35.00)
Investments in Preference Shares of subsidiary: (Carried at fair value through profit and loss)		
Nil (March 31, 2025: 25,00,00,000) fully paid equity shares of ₹ 10/- each of Aditya Birla Digital Fashion Ventures Limited (Refer Note - 6 below)	**-**	292.25
Total	**2,367.29**	**2,302.36**

*Transfer of 3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditva Birla Garments Limited to Aditya Birla Lifestyle Brands pursuant to Scheme of arrangement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
(b) Other Investments		
Carried at fair value through other comprehensive income		
Unquoted equity instruments		
7,000 (March 31, 2025: 7,000) fully paid equity shares of ₹ 10/- each of Birla Management Centre Services Limited#	**21.55**	17.52
10,000 (March 31, 2025: 10,000) fully paid up equity shares of ₹ 10/- each of Retailers Association of India	**0.01**	0.01
68,25,000 (March 31, 2025: 68,25,000) fully paid equity shares of ₹ 10/- each of CLI Footwear and Accessories Private Limited (Refer Note - 9 below)	**10.24**	6.83
Total	**31.80**	**24.36**

Increase is on account of fair valuation gain recorded during the year.

(c) Current Investments (Carried at fair value through profit and loss (FVTPL))		
Quoted investments		
Axis Overnight Fund - Regular Growth(ONGP) (March 31, 2026: 1,97,187 units, March 31, 2025: 74,396.465 units)	**28.01**	10.02
Axis Liquid Fund - Regular Growth(CFGP) (March 31, 2026: Nil units, March 31, 2025: 3,62,660.697 units)	**-**	103.72
HDFC Liquid Fund-Regular Plan-Growth (March 31, 2026: Nil units, March 31, 2025: 1,01,016.168 units)	**-**	50.91
ICICI Prudential Liquid Fund Growth (March 31, 2026: Nil units, March 31, 2025: 14,317.715 units)	**-**	0.54
UTI Liquid Fund (Formerly UTI Liquid Cash Plan) - Regular Plan - Growth (March 31, 2026: Nil units, March 31, 2025: 38,163.825 units)	**-**	16.08
Kotak Liquid Fund Regular Plan Growth (March 31, 2026: Nil units, March 31, 2025: 38,586.935 units)	**-**	20.03
Nippon Inida Liquid Fund Regular Plan Growth Option LFIG (March 31, 2026: Nil units, March 31, 2025: 1,61,990.114 units)	**-**	101.55
Tata Liquid Fund Regular Plan- Growth (March 31, 2026: Nil units, March 31, 2025: 42,457.498 units)	**-**	17.18
Aditya Birla Sun Life Money Market Fund - Growth Regular Plan (formerly known as Aditya Birla Sun Life Floating Rate Fund Short Term Plan) (March 31, 2026: Nil units, March 31, 2025: 5,520,963.470 units)	**-**	200.45
HDFC Money Market Fund - Growth Regular Plan (March 31, 2026: Nil units, March 31, 2025: 1,78,690.117 units)	**-**	100.21
DSP Liquid Fund - Regular Plan - Growth (March 31, 2026: Nil units, March 31, 2025: 4,12,021.386 units)	**-**	151.10
ICICI Money Market Fund - Growth Regular Plan (March 31, 2026: 59,934.61 units, March 31, 2025: 2,692,532.433 units)	**2.38**	100.23
Aditya Birla Sun Life Liquid Fund - Regular Plan - Growth (formerly known as Aditya Birla Sun Life Cash Plus) (March 31, 2026: Nil units, March 31, 2025:34,70,726.830 units)	**-**	143.65
Kotak Money Market Fund - Growth Regular Plan (Erstwhile Kotak Floater ST) (March 31, 2026: 56,599.55 units, March 31, 2025: 2,27,427.940 units)	**26.58**	100.20

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
HSBC Liquid Fund - Regular- Growth (Formerly known as HSBC Cash Fund - Growth) (March 31, 2026: Nil units, March 31, 2025: 3,06,810.086 units)	**-**	78.58
Tata Money Market Fund- Regular Plan Growth (March 31, 2026: Nil units, March 31, 2025: 4,32,659.369 units)	**-**	200.43
ABSL Crisil-IBX Financial Services 3 to 6 Months Debt Index Fund- Regular Growth (March 31, 2026: 14,12,199.60 units, March 31, 2025: 9,83,34,136.68 units)	**1.53**	100.54
ABSL Crisil-IBX Financial Services 9 to 12 Months Debt Index Fund- Regular Growth (March 31, 2026: 3,61,17,924.68 units, March 31, 2025: 99,99,500.02 units)	**38.59**	10.04
ABSL Corporate Bond Fund Growth-Direct Plan (formerly known as Aditya Birla Sun Life Short Term Fund) (March 31, 2026: Nil units, March 31, 2025: 44,92,069.764 units)	**-**	50.51
ICICI Savings fund (March 31, 2026: 9,15,269 units, March 31, 2025: Nil units)	**52.08**	-
ICICI Overnight fund (March 31, 2026: 1,73,362 units, March 31, 2025: Nil units)	**25.01**	-
HSBC Overnight (March 31, 2026: 1,78,925 units, March 31, 2025: Nil units)	**25.01**	-
ABSL Savings Fund (March 31, 2026: 16,75,771 units, March 31, 2025: Nil units)	**96.13**	-
ABSL Liquid Fund (March 31, 2026: 5,71,276 units, March 31, 2025: Nil units)	**25.10**	-
Axis money market fund (March 31, 2026: 1,66,449 units, March 31, 2025: Nil units)	**24.91**	-
Axis CRISIL-IBX AAA Bond NBFC - Jun 2027 Index Fund (March 31, 2026: 2,27,62,019 units, March 31, 2025: Nil units)	**25.37**	-
Axis Treasury Advantage fund (March 31, 2026: 1 53,424 units, March 31, 2025: Nil units)	**52.08**	-
Nippon money market fund (March 31, 2026: 76,577 units, March 31, 2025: Nil units)	**33.22**	-
UTI money market fund (March 31, 2026: 1,25,741 units, March 31, 2025: Nil units)	**40.56**	-
SIDBI Bond - 7.43% (No of Scrips 5,000 units)	**49.97**	-
NABARD Bond- 7.58% (No of Scrips 5,000 units)	**49.98**	-
Aditya Birla Capital Limited CP 7.75%	**99.23**	-
Transferred pursuant to Scheme of arrangement*	**-**	(117.18)
Total	**695.74**	**1,438.79**

*As on March 31, 2025, the mutual funds were held in the name of the Company. In accordance with the approved scheme of arrangement, the Management has transffered the related balances to the Resulting Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Aggregate book value of unquoted investments	**2,399.09**	2,326.72
Aggregate book value of quoted investments	**695.74**	1,438.79
Aggregate market value of quoted investments	**695.74**	1,438.79
Aggregate amount of impairment in value of investments	**-**	-

Notes:

1. During the year ended March 31, 2020, the Board of Directors of the Company approved acquisition of 100% stake in Jaypore E-Commerce Private Limited ("Jaypore") and TG Apparel & Decor Private Limited ("TG Apparel"). Post completion of the conditions precedent under the aforesaid Share Purchase Agreement(s), Jaypore and TG Apparel became wholly-owned subsidiaries of the Company w.e.f. July 02, 2019. As at March 31, 2026, TG Apparel has negative net worth of ₹ 1.55 Crore (March 31, 2025: ₹ 1.23 Crore) due to losses incurred.

   The management is of the view that there is no diminution in the value of these investments and is committed to provide support to fund the operations of TG Apparel & Décor Private Limited and Jaypore E-Commerce Private Limited. (Refer Note - 54)

2. The Company entered into a strategic partnership with India's leading designers "Shantanu & Nikhil" by way of acquisition of 51% stake in 'Finesse International Design Private Limited' ("Finesse"). The said acquisition was done through a combination of primary equity infusion and secondary share purchase by way of signing of Share Subscription and Purchase Agreement ("SSPA") and Shareholders' Agreement with Finesse and its shareholders. Consequent to aforesaid, Finesse became the subsidiary of the Company w.e.f. July 26, 2019. During the year, the Company has infused ₹ 2.50 Crore (March 31, 2025: ₹ Nil) under Rights Issue to support the existing operations and growth of the business.

3. On January 27, 2021, the Board of Directors approved the acquisition of 51% stake in Sabyasachi Calcutta LLP [formerly M/s. Sabyasachi Couture, a partnership firm] ("Sabyasachi") by entering into a Framework Agreement. On February 24, 2021, post completion of the customary closing conditions under the Agreement, the Company concluded the acquisition. Considering the terms of the Agreement, Sabyasachi is considered as a subsidiary of the Company.

4. On February 24, 2021, the Board of Directors approved the acquisition of 80% stake in Indivinity Clothing Retail Private Limited ["ICRPL"] by way of entering into 'Share Subscription and Shareholders Agreement' ["SSSA"]. On March 26, 2021, post completion of the customary closing conditions under the said SSSA, ICRPL became a subsidiary of the Company. During the year, the Company has infused ₹ Nil (March 31, 2025: ₹ 85.55 Crore) under Rights Issue to support the existing operations and growth of the business. The Company has committed to provide support to fund the operations of Indivinity Clothing Retail Private Limited.Further, the agreement stipulates a simultaneous call and put option (the Company holds the call options and has written the put options), whereby, at the expiry of 10 years from the date of initial acquisition, the Company can acquire, if it exercises the call option it holds, and will also be required to acquire, if Promoter exercises the put options the Company has written, all or such number of equity shares so as to increase its shareholding to 100%. These call and put options are to be exercised by acquiring/selling the said equity shares at fair value. Accordingly, the fair value of the option is Nil.

5. On January 14, 2022, the Board of Directors approved the acquisition of 52.44% stake in House of Masaba Lifestyle Private Limited ("HMLPL") by way of entering into a Binding Term Sheet subject to signing of definitive agreements, completion of closing conditions precedent to be set out in the definitive agreements and statutory approvals, if any. On June 01, 2022, post completion of closing conditions precedent set out in the definitive agreements and statutory approvals, HMLPL became a subsidiary of the Company. During the year, the Company has infused ₹ 65.00 Crore (March 31, 2025: ₹ 17.09 Crore) under Rights Issue to existing operations and growth of the business. The Company has committed to provide support to fund the operations of House of Masaba Lifestyle Private Limited.Further, the agreement stipulates a simultaneous call and put option (the Company holds the call options and has written the put options), whereby, after the expiry of 5 years upto 15 years from the date of initial acquisition, in certain specified time periods, the Company can acquire, if it exercises the call option it holds, and will also be required to acquire, if Promoter exercises the put options the Company has written, all or such number of equity shares so as to increase its shareholding to 100%. The excercise price of put and call option is equal to the fair value of the investments on the date of excercise.

6. On April 11, 2022, Aditya Birla Digital Fashion Ventures Limited ("ABDFVL") was set up as a subsidiary of the Company to carry on the Direct to Consumer ("D2C") business of building a portfolio of distinct new age digital brands across categories in fashion, beauty and other allied lifestyle segments. On June 28, 2025, 7% Optionally Convertible Redeemable Preference Shares ("OCRPS') held in ABDFVL, were converted into 27,26,64,284 equity shares of face value of ₹ 10/- each along with the accumulated dividend thereon.

7. Aditya Birla Garments Limited, a wholly owned subsidiary of the Company has been incorporated w.e.f. June 15, 2022 in compliance with the requirements of 'Operational Guidelines for the Production Linked Incentive (PLI) scheme for promoting MMF and Textile segments'. During the previous year, pursuant to the Scheme of Arrangement the investment in Aditya Birla Garments Limited was transferred to Aditya Birla Lifestyle Brands Limited.

8. The Company has raised its shareholding in GFPL, from 33.5% to 51%, through secondary acquisition of 17.5% equity stake for an aggregate amount of ~ ₹ 127.42 crore from the existing shareholders of GFPL, thereby making GFPL a subsidiary of the Company with effect from July 11, 2024. (Refer Note - 50)

9. On August 04, 2023, the Board of Directors approved to incorporate a new company in association with Christian Louboutin SAS ("CL"). On September 12, 2023, the Company has incorporated a new company viz. CLI Footwear and Accessories Private Limited ("CLI") in association with Christian Louboutin SAS ("CL SAS"). CLI is a 50%-50% partnership between the Company and CL SAS. CL is incorporated by the Company in association with CL SAS in India to carry out the business of distribution and sale of CL SAS's products in India. The Company has entered into shareholders agreement which provides CL with a call option to buy the Company's 50% equity interest at any time during the agreement period at the fair value. The Company has evaluated the terms of the call option and other terms of the Shareholders aggreement and concluded that the Company does not have a significant influence over CLI despite the Company having 3 nominee directors on the board. Accordingly, the Management has disclosed the amount invested in CLI as equity investment carried at fair value through other comprehensive income.

NOTE 7 : NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loans to employees	**0.02**	-
Total	**0.02**	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 8 : NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Security deposits		
To Related party - unsecured, considered good (Refer Note - 46)	**5.64**	5.64
To Others		
Unsecured, considered good	**306.57**	266.26
Unsecured, considered doubtful*	**5.01**	7.36
Provision for doubtful deposits	**(5.01)**	(7.36)
Total	**312.21**	**271.90**

*Provision amounting to INR 1.78 Crore has been utilised during the year towards write-off of security deposits

NOTE 9 : NON-CURRENT FINANCIAL ASSETS - OTHERS

Accounting Policy

(I) Financial instruments

(i) Classification of financial assets at amortised cost

The company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans and security deposits.

(ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVTOCI) comprise equity securities (unlisted) which are not held for trading, and for which the Company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. These are strategic investments and the Company considers this classification to be more relevant.

(iii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

- debt investments (bonds, debentures and mutual funds) that do not qualify for measurement at either amortised cost or FVTOCI,
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI, and
- Investments in financial instruments issued by subsidiaries whose contractual terms are not wholly equity in nature.

Derivatives

The Put and Call options held to acquire equity interest held by Non-Controlling Interest ("NCI") holders in a subsidiary are initially measured at fair value. The subsequent changes in fair value are recognised in the Standalone Statement of Profit and Loss.

See note 55 for other accounting policies relevant to Financial instruments

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	**41.56**	60.77
Other bank balance		
Bank deposits with more than 12 months maturity from the Balance Sheet date	**-**	0.08
Derivative Instruments*	**240.79**	215.16
Total	**282.35**	**276.01**

* During the year ended March 31, 2021, the Company acquired 51% stake in Sabyasachi Calcutta LLP by entering into an agreement on February 24, 2021. Under the terms of the agreement, the Company has a Call option to purchase the entire holding of Mr. Sabyasachi Mukherjee in case the Put Option (as specified in Note - 23) is not exercised by Mr. Sabyasachi Mukherjee at the end of fourteen years. Accordingly, the derivative instruments includes the fair value of call option of ₹ 240.79 Crore (March 31, 2025: ₹ 215.16 Crore) as non-current financial asset based on independent valuation performed by the Company's appointed independent valuer.

NOTE 10 : DEFERRED TAX ASSETS (NET)

Reflected in the Standalone Balance Sheet as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	**208.22**	103.85
Deferred tax assets/ (liabilities) (net)	**208.22**	**103.85**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Deferred tax assets/ (liabilities) as at March 31, 2025	Deferred Tax charge/(Credit) recognised in Total Comprehensive Income	Deferred tax assets/ (liabilities) as at March 31, 2026
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(123.38)	(14.76)	**(108.62)**
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	18.60	(8.92)	**27.52**
Share-based payment	9.43	3.72	**5.71**
Business and depreciation loss as per income tax computations available for off-set against future taxable income	437.75	(66.93)	**504.67**
Deferred tax liability on Right of Use assets	(547.35)	125.77	**(673.12)**
Deferred tax assets on lease liabilities	664.25	(133.17)	**797.42**
Deferred tax liability on other intangible assets	(355.27)	(14.65)	**(340.62)**
Others	(0.18)	4.57	**(4.74)**
Net deferred tax assets/ (liabilities)	**103.85**	**(104.37)**	**208.22**

₹ in Crore

	Deferred tax assets/ (liabilities) as at March 31, 2024	Deferred Tax charge/(Credit) recognised in Total Comprehensive Income	Deferred tax assets/ (liabilities) transferred Pursuant to Scheme of Arrangement	Deferred tax assets/ (liabilities) as at March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(225.66)	(26.32)	(75.96)	(123.38)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	59.90	3.57	37.73	18.60
Share-based payment	14.27	(4.38)	9.22	9.43
Business and depreciation loss as per income tax computations available for off-set against future taxable income	472.34	(21.36)	55.95	437.75
Deferred tax liability on Right of Use assets	(929.36)	26.22	(408.23)	(547.35)
Deferred tax assets on lease liabilities	1,146.54	(16.14)	498.43	664.25
Deferred tax liability on other intangible assets	(370.00)	(14.73)	-	(355.27)
Others	(21.66)	4.56	(26.05)	(0.18)
Net deferred tax assets/ (liabilities)	**146.37**	**(48.58)**	**91.10**	**103.85**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	**103.85**	146.37
Deferred tax credit / (charge) recognised in profit and loss during the year	**107.56**	48.06
Deferred tax credit / (charge) recognised in OCI during the year	**(3.19)**	0.52
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	**-**	(91.10)
As at the end of the year	**208.22**	**103.85**

Carry forward business losses in respect of which deferred tax asset has been recognised, expire untilised based on the year of origination as below:-

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Period of expiry		
- Within 4 years	**193.76**	136.84
- Beyond 4 years and upto 8 years	**631.91**	758.71
Total	**825.67**	**895.55**

Note:-

(i) Unabsorbed depreciation does not have any expiry period. Refer note - 2.4 (c)

(ii) Corporate tax rate considered for arriving at the above amounts is 25.17% (March 31, 2025: 25.17%)

NOTE 11 : OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital advances	**6.92**	10.92
Prepayments	**1.42**	1.86
Balances with government authorities (other than income tax)	**4.89**	5.01
Other receivables	**0.04**	0.17
Total	**13.27**	**17.96**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 12 : INVENTORIES

Accounting Policy

Stock in Trade, work-in-progress, finished goods, raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis. See note 55 for other accounting policies relevant to inventories.

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
At lower of cost and net realisable value		
Raw materials	**36.46**	28.03
Work-in-progress	**35.53**	44.88
Finished goods	**261.18**	189.41
(Includes Goods-in-transit ₹ 20.06 Crore (March 31, 2025: ₹ 21.22 Crore)		
Stock-in-trade	**1,571.38**	1,491.03
(Includes Goods-in-transit ₹ 19.28 Crore (March 31, 2025: ₹ 17.42 Crore)		
Stores and spares	**-**	0.00
Packing materials	**27.63**	22.89
Total	**1,932.18**	**1,776.24**

During the year ended March 31, 2026, ₹ 67.75 Crore of provision was written-back on liquidation of inventories and for the year ended March 31, 2025, ₹ 41.87 Crore was recognised as an expense in the Statement of Profit and Loss.

NOTE 13 : CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loans and advances to employees	**1.76**	1.64
Loans to related party (Refer Note - 46)	**467.75**	214.84
Total	**469.51**	**216.48**

Disclosure as per Regulation 34(3) and 53(f) read with Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013:

Details of loans given/ received:

Name of Companies	Interest rates	Repayment terms	Outstanding	
			As at March 31, 2026	As at March 31, 2025
Jaypore E-Commerce Private Limited	6 month MCLR + 0.25%	On demand	**130.10**	60.85
TG Apparel & Decor Private Limited	6 month MCLR + 0.25%	On demand	**3.01**	2.85
Indivinity Clothing Retail Private Limited	6 month MCLR + 0.25%	On demand	**334.64**	151.14
			467.75	**214.84**

	Maximum amount outstanding during the year ended	
	March 31, 2026	March 31, 2025
Jaypore E-Commerce Private Limited	**130.10**	135.85
TG Apparel & Decor Private Limited	**3.01**	2.85
Indivinity Clothing Retail Private Limited	**334.64**	251.15
Aditya Birla Digital Fashion Venture Ltd.	**-**	30.00

NOTE 14 : CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Security deposits		
Unsecured, considered good	**84.38**	81.81
Unsecured, considered doubtful*	**-**	3.74
Provision for doubtful deposits	**-**	(3.74)
Total	**84.38**	**81.81**

*Provision amounting to INR 3.74 cr has been utilised during the year towards write-off of security deposits.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 15 : TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing component. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Trade receivables from others	**189.85**	157.83
Trade receivables from related parties (Refer Note - 46)	**8.70**	16.91
	198.55	**174.74**
Less: Loss Allowances	**(32.00)**	(26.26)
Total	**166.55**	**148.48**

Break-up for security details:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Secured, considered good	**-**	-
Unsecured, considered good	**194.60**	171.13
Unsecured, credit impaired	**3.95**	3.61
	198.55	**174.74**
Less: Loss Allowances	**(32.00)**	(26.26)
Total	**166.55**	**148.48**

Ageing of Trade Receivables:

₹ in Crore

Particulars	Outstanding as on March 31, 2026 (for following periods from due date of payment)						
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	70.69	84.72	15.22	7.87	2.05	14.05	194.60
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed - Credit Impaired	0.11	0.56	0.56	0.26	0.00	-	1.49
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	2.46	2.46
Total	**70.80**	**85.28**	**15.78**	**8.13**	**2.05**	**16.51**	**198.55**
Less: Loss Allowances (including Expected credit loss)							(32.00)
Net Trade Receivable							166.55
Expected credit loss provision	0.01	0.97	5.58	5.38	2.05	14.05	28.04
Exepected credit loss rate	**0.01%**	**1.14%**	**36.67%**	**68.34%**	**100.00%**	**100.00%**	**14.41%**

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	87.42	56.08	7.60	0.26	1.67	18.10	171.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed - Credit Impaired	0.11	0.90	0.10	0.02	2.48	-	3.61
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**87.53**	**56.98**	**7.70**	**0.28**	**4.15**	**18.10**	**174.74**
Less: Loss Allowances (including Expected credit loss)							(26.26)
Net Trade Receivable							148.48
Expected credit loss provision	0.10	1.48	1.04	0.26	1.67	18.10	22.65
Exepected credit loss rate	**0.11%**	**2.64%**	**13.68%**	**100.00%**	**100.00%**	**100.00%**	**13.24%**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 46.

Trade receivables are generally non-interest bearing and the credit period generally between 30 to 180 days.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Movement in loss allowance

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	**26.26**	**53.07**
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	**5.40**	3.39
Specific provision made/ (reversed)	**0.34**	(0.12)
Transferred pursuant to Scheme of Arrangement (Refer Note - 51)	**-**	(30.08)
As at the end of the year	**32.00**	**26.26**

NOTE 16 : CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
Current accounts	**34.39**	126.09
Deposit accounts (original maturity less than 3 months)	**-**	581.00
Balances with credit card companies	**3.41**	10.00
Balances with e-wallet companies	**1.81**	1.43
Cash on hand	**8.35**	15.18
Total	**47.96**	**733.70**

The Company has undrawn committed borrowing facilities available to the extent of ₹ 958 Crore as at March 31, 2026 (March 31, 2025: ₹ 2,164 Crore). Further the Board has approved to raise ₹ 2,000 Crore through commercial papers as at March 31, 2026 (March 31, 2025 : ₹ 2,000 Crore).

Net debt reconciliation:

Particulars	Investing Activities	Financing activities			Net Debt
	Other Assets (Includes Cash and cash equivalents, Bank balance other than cash and cash equivalents and Current investments)	Borrowings	Supplier's Credit	Lease liabilities	
Balance as at March 31, 2024	**1,129.45**	**3,836.49**	**147.00**	**4,555.17**	**(7,409.21)**
Additions/(Terminations) (net)	-	-	-	1,171.00	
Interest Expenses on Lease liabilities	-	-	-	428.92	
Gain on Investments	52.82	-	-	-	
Transferred pursuant to Scheme of Arrangement	(170.15)	(851.22)	-	(1,980.26)	
Cash Flows (net)	1,160.65	(2,227.31)	(37.50)	(1,535.78)	
Balance as at March 31, 2025	**2,172.77**	**757.96**	**109.50**	**2,639.05**	**(1,333.74)**
Additions/(Terminations) (net)	-	-	-	1,197.91	
Interest Expenses on Lease liabilities	-	-	-	266.73	
Gain on Investments	68.10	-	-	-	
Others	-	1.50	-	-	
Cash Flows (net)	(1,096.74)	(11.40)	22.23	(935.55)	
Balance as at March 31, 2026	**1,144.13**	**748.06**	**131.73**	**3,168.14**	**(2,903.80)**

NOTE 17 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Earmarked deposits		
Current accounts	**0.31**	0.27
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	**400.11**	0.01
Total	**400.42**	**0.28**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 18 : CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Foreign Exchange Forward Contracts	**1.73**	-
Interest accrued on deposits	**23.39**	3.74
Other receivables	**0.13**	0.11
Lease receivables (from sub-lease arrangements)	**16.92**	18.89
Total	**42.17**	**22.74**

NOTE 19 : OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Prepayments	**46.67**	28.82
Advance to suppliers	**146.16**	118.59
Balances with government authorities (other than income tax)	**490.69**	311.22
Right to return assets	**38.46**	36.83
Other receivables	**32.64**	17.90
Total	**754.62**	**513.36**

Note 20 : EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Equity share capital				
As at the beginning of the year	**2,03,60,00,000**	**2,036.00**	2,00,00,00,000	2,000.00
Increase during the year	**-**	**-**	3,60,00,000	36.00
As at the end of the year	**2,03,60,00,000**	**2,036.00**	**2,03,60,00,000**	**2,036.00**

Preference share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Preference shares of ₹ 10/- each	**1,00,00,000**	**10.00**	1,00,00,000	10.00
Preference shares of ₹ 100/- each	**15,000**	**0.15**	15,000	0.15
Preference shares of ₹ 1/- each	**2,00,00,000**	**2.00**	2,00,00,000	2.00
As at the end of the year	**3,00,15,000**	**12.15**	**3,00,15,000**	**12.15**

Issued equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
As at the beginning of the year	**1,22,04,66,450**	**1,220.46**	1,01,52,15,146	1,015.22
Increase during the year towards:				
Issue of equity shares on preferential basis [Refer Note - 20(iii)]	**-**	**-**	8,04,43,117	80.44
Issue of equity shares to qualified institutional buyers [Refer Note - 20(iv)]	**-**	**-**	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation [Refer Note - 20(vii)]	**-**	**-**	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	**2,77,246**	**0.28**	4,82,075	0.48
As at the end of the year	**1,22,07,43,696**	**1,220.74**	**1,22,04,66,450**	**1,220.46**

Subscribed and paid-up equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
As at the beginning of the year	**1,22,02,60,946**	**1,220.26**	1,01,50,09,642	1,015.01
Increase during the year towards:				
Issue of equity shares on preferential basis [Refer Note - 20(iii)]	**-**	**-**	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note - 20(iv)]	**-**	**-**	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation [Refer Note - 20(vii)]	**-**	**-**	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	**2,77,246**	**0.28**	4,82,075	0.48
As at the end of the year	**1,22,05,38,192**	**1,220.54**	**1,22,02,60,946**	**1,220.26**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(i) Shares held by Promoters :

Shares held by Promoters as at March 31, 2026			
Promoter Name	**No. of Shares**	**% of total shares**	**% Change during the year**
Birla Group Holdings Private Limited	**21,23,54,965**	**17.40**	**-1.99%**
IGH Holdings Private Limited	**13,64,72,680**	**11.18**	**0.00%**
Grasim Industries Limited	**9,75,93,931**	**8.00**	**0.00%**
Pilani Investment and Industries Corporation Limited	**6,92,22,856**	**5.67**	**2.00%**
Hindalco Industries Limited	**5,02,39,794**	**4.12**	**0.00%**
Mr. Kumar Mangalam Birla	**12,51,589**	**0.10**	**0.00%**
Mrs. Rajashree Birla	**8,63,696**	**0.07**	**0.00%**
Mr. Aryaman Vikram Birla	**4,25,000**	**0.03**	**0.03%**
Birla Industrial Finance (India) Limited	**1,66,508**	**0.01**	**0.00%**
Birla Consultants Limited	**1,66,422**	**0.01**	**0.00%**
ABNL Investment Limited	**77,430**	**0.01**	**0.00%**
Birla Industrial Investments (India) Limited	**34,666**	**0.00**	**0.00%**
Mrs. Neerja Birla	**20,270**	**0.00**	**0.00%**
Mrs. Vasavadatta Bajaj	**19,542**	**0.00**	**0.00%**
Aditya Vikram Kumar Mangalam Birla HUF	**1,780**	**0.00**	**0.00%**
Total	**56,89,11,129**	**46.60**	

Shares held by Promoters as at March 31, 2025			
Promoter Name	**No. of Shares**	**% of total shares**	**% Change during the year**
Birla Group Holdings Private Limited	23,66,19,965	19.39	2.49%
IGH Holdings Private Limited	13,64,72,680	11.18	-2.26%
Grasim Industries Limited	9,75,93,931	8.00	-1.62%
Umang Commercial Company Private Limited	-	-	-6.41%
Hindalco Industries Limited	5,02,39,794	4.12	-0.83%
Pilani Investment and Industries Corporation Limited	4,48,22,856	3.67	3.28%
Mrs. Rajashree Birla	8,63,696	0.07	-0.01%
Birla Industrial Finance (India) Limited	1,66,508	0.01	0.00%
Birla Consultants Limited	1,66,422	0.01	0.00%
ABNL Investment Limited	77,430	0.01	0.00%
Birla Industrial Investments (India) Limited	34,666	0.00	0.00%
Mr. Kumar Mangalam Birla	12,51,589	0.10	0.10%
Mrs. Neerja Birla	20,270	0.00	0.00%
Mrs. Vasavadatta Bajaj	19,542	0.00	0.00%
Aditya Vikram Kumar Mangalam Birla HUF	1,780	0.00	0.00%
Total	**56,83,51,129**	**46.56**	

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face 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 at 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 to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

(iii) Preferential Issue to to the Promoter Group and Qualified Institutional Buyers under Non-Promoter category*

On January 15, 2025, the Board of Directors of the Company approved the Preferential Issue aggregating to ₹ 2,378.75 crores to the Promoter Group and to certain Qualified Institutional Buyers under Non-Promoter category, subject to the approval of the shareholders and other necessary approvals, If any.

The shareholders of the Company at their meeting held on February 13, 2025, approved the issue of:

i. 4,08,33,990 equity shares of face value of ₹ 10 each at issue price of ₹ 317.75 each (including premium of ₹ 307.75 each), aggregating to ₹ 1,297.50 crores to the Promoter/ Promoter Group category and

ii. 3,96,09,127 equity shares of face value of ₹ 10 each at issue price of ₹ 272.98 each (including premium of ₹ 262.98 each), aggregating to ₹ 1,081.25 crores to Qualified Institutional Buyers under the Non-Promoter category.

The Preferential Issue Committee of board of directors of the Company, at the meeting held on February 24, 2025, approved the allotment of the above-mentioned equity shares in accordance with the approval of the shareholders of the Company to the Promoter Group and to the Qualified Institutional Buyers under Non-Promoter category.

(iv) Qualified Institutional Placement:*

The board of directors of the Company at their meeting held on January 15, 2025 approved issuance of equity shares by way of Qualified Institutions Placement ("QIP') for amount not exceeding ₹ 2,500 crores. Consequently, the Company has raised ₹ 1,860.66 crores through QIP on January 21, 2025. The QIP Committee of board of directors of the Company, at the meeting held on January 21, 2025, approved the allotment of 6,85,83,059 equity shares of face value of ₹ 10/- each to eligible Investors at an issue price of ₹ 271.30 per equity share (including a premium of ₹ 261.30 per equity share).

* Issue prices referred to in the notes (iii) and (iv) above are prior to demerger of the MFL division pursuant to Scheme of Arrangement (Refer Note - 51)

(v) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	**As at March 31, 2026**		**As at March 31, 2025**	
	No. of shares held	**% of paid-up share capital**	**No. of shares held**	**% of paid-up share capital**
Birla Group Holdings Private Limited	**23,66,19,965**	**19.39%**	23,66,19,965	19.39%
IGH Holdings Private Limited	**13,64,72,680**	**11.18%**	13,64,72,680	11.18%
Grasim Industries Limited	**9,75,93,931**	**8.00%**	9,75,93,931	8.00%
Pilani Investment and Industries Corporation Limited	**6,92,22,856**	**5.67%**	4,48,22,856	3.67%
Caladium Investment Pte. Ltd.	**6,02,95,727**	**4.94%**	7,60,17,316	6.23%
Flipkart Investments Private Limited	**-**	**0.00%**	7,31,70,731	6.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(vi) Shares reserved for issue under Employee Stock Option Plan

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, Refer Note - 43.

(vii) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting year

The Board of Directors at its meeting held on May 5 2023, approved a draft Scheme of Amalgamation by way of merger by absorption ("Scheme") between TCNS Clothing Co. Limited (Transferor Company) and Aditya Birla Fashion and Retail Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013.

The Scheme was sanctioned by the Hon'ble NCLT on August 2, 2024 and the certified copy of the order was received on August 16, 2024. The Transferor and Transferee Company filed the certified copies of the order and the Scheme with the Registrar of Companies, Mumbai, on September 1, 2024 and accordingly, the Scheme has become effective from the September 1, 2024 ("Effective Date").

On September 5, 2024, the Company allotted 5,57,43,053 fully paid-up equity shares of face value ₹ 10/- each, to the eligible shareholders of TCNS as on the record date i.e. September 3, 2024, in the share exchange ratio of 11 fully paid-up equity shares of the Company of face value ₹ 10/- each for every 6 fully paid-up equity shares of TCNS of face value ₹ 2/- each held by the non-controlling shareholders.

There have been no other issue of shares for consideration other than cash made by the Company during a period 5 years immediately preceeding the reporting year.

NOTE 21 : OTHER EQUITY

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Share application money pending allotment		
As at the beginning of the year	**0.31**	0.04
Exercise price received pending allotment	**-**	0.27
Shares alloted during the year	**(0.27)**	-
As at the end of the year	**0.04**	**0.31**
Share suspense account		
As at the beginning of the year	**0.02**	55.76
Share issued on account of amalgamation	**-**	(55.74)
As at the end of the year	**0.02**	**0.02**

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Reserves and surplus		
Securities premium		
As at the beginning of the year	**9,656.79**	5,635.10
Share issue expenses	**-**	(12.53)
Issue of equity shares on preferential basis (net off share issue expenses of ₹ 27.55 Crore)	**-**	2,258.97
Issue of euity shares to qualified institutional buyers (net off share issue expenses of ₹ 39.34 Crore)	**-**	1,764.52
Issue of shares upon exercise of options	**2.13**	10.73
As at the end of the year	**9,658.92**	**9,656.79**
Retained earnings		
As at the beginning of the year	**(2,852.76)**	(1,365.34)
Profit/(Loss) for the year	**(351.49)**	(127.53)
Resultant company shares held by ESOP trust	**(62.25)**	-
Net assets transferred in accordance to Scheme of Arrangement (Refer note - 51)	**-**	(1,359.89)
As at the end of the year	**(3,266.50)**	**(2,852.76)**
Share options outstanding account		
As at the beginning of the year	**33.24**	81.81
Share based payment expense	**5.34**	2.46
Issue of shares upon exercise of options	**(3.51)**	(9.54)
Net assets transferred in accordance to Scheme of Arrangement (Refer note - 51)	**-**	(41.49)
As at the end of the year	**35.07**	**33.24**
Treasury shares (Refer Note - 43)		
As at the beginning of the year	**(104.16)**	(111.31)
Treasury shares Issued/ (purchased) by ESOP Trust (Net)	**12.49**	7.15
Resultant company shares held by ESOP trust	**62.25**	-
As at the end of the year	**(29.42)**	**(104.16)**
General reserve		
As at the beginning of the year	**36.70**	36.70
Transfer to General reserve on cancellation of options	**-**	-
As at the end of the year	**36.70**	**36.70**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital reserve		
As at the beginning of the year	**302.38**	299.48
Loss on shares sold by trust in open market	**(2.81)**	-
Investment written off	**(0.05)**	-
Issue of shares upon exercise of options	**0.57**	2.90
As at the end of the year	**300.09**	**302.38**
Other equity		
As at the beginning of the year	**2.22**	1.64
ESOP of the Subsidiaries issued to the employees	**0.30**	0.58
As at the end of the year	**2.52**	**2.22**
Other comprehensive income		
Remeasurement gains/ (losses) on defined benefit plans		
As at the beginning of the year	**(7.12)**	(3.09)
Gains/ (losses) during the year	**3.92**	(4.03)
As at the end of the year	**(3.20)**	**(7.12)**
Fair value gains/ (losses) on equity instruments		
As at the beginning of the year	**9.98**	7.48
Gains/ (losses) during the year	**5.57**	2.50
As at the end of the year	**15.55**	**9.98**
Total	**6,749.79**	**7,077.60**

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Other equity		
Share application money pending allotment	**0.04**	0.31
Share suspense account	**0.02**	0.02
Reserves and surplus		
Securities premium	**9,658.92**	9,656.79
Retained earnings	**(3,266.50)**	(2,852.76)
Share options outstanding account	**35.07**	33.24
Treasury shares (Refer Note - 43)	**(29.42)**	(104.16)
Capital reserve	**300.11**	302.38
General reserve	**36.70**	36.70
Other equity	**2.50**	2.22
Other comprehensive income		
Remeasurement gains/ (losses) on defined benefit plans	**(3.20)**	(7.12)
Fair value gains/ (losses) on equity instruments	**15.55**	9.98
Total	**6,749.79**	**7,077.60**

The description of the nature and purpose of each reserve within other equity is as follows:

1. Share suspense account

As per the Scheme of Arrangement, the Non-Resident shareholders of Aditya Birla Nuvo Limited ("ABNL"), holding shares on repatriation basis, are allotted shares upon receiving necessary regulatory approval(s). The amount lying in share suspense account pertains to shares not allotted on account of pending requisite approvals.

2. Securities premium

Securities premium is used to record the premium on issue of shares, and is utilised in accordance with the provisions of the Companies Act, 2013.

3. Retained earnings

Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

4. Share options outstanding account

The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

5. Treasury shares (Refer Note - 43)

The equity shares of the Company have been acquired from open markets for Employee Stock Option Scheme 2019 and is held by ABFRL Employee Welfare Trust (ESOP Trust) at cost. Trust allots shares to employees at the time of exercise of stock options by the employees.

6. Capital reserve

Capital reserve represents the reserve arising on the amalgamation of TCNS Clothing Co. Limited, being the difference between the net assets acquired, the cancellation of investment held, and the equity shares issued to non-controlling shareholders pursuant to the scheme, together with amounts arising on forfeiture of rights shares.

7. Remeasurement gains/ (losses) on defined benefit plans

The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Standalone Statement of Profit and Loss.

8. Fair value gains/ (losses) on equity instruments

It represents the cumulative gains/(losses) arising on the fair valuation of equity shares (other than investments in subsidiaries and a Joint venture, which are carried at cost) measured at fair value through other comprehensive income. This fair value gain/ (loss) will not be reclassified subsequently to Standalone Statement of Profit and Loss.

9. General Reserve

The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

NOTE 22 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	Effective interest rate % p.a.	Maturity	As at March 31, 2026 ₹ in Crore	As at March 31, 2025 ₹ in Crore
Redeemable non-convertible debentures				
Redeemable non-convertible debentures - Series 10 (Unsecured)	7.71%	September 12, 2030	**744.89**	743.39
Term loan from others				
Other borrowings (Unsecured) [1]	8.00% - 14.37%	June 30, 2026	**-**	0.14
Preference shares				
Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS")[2]	8.00%	March 26, 2029	**0.56**	0.56
Total			**745.45**	**744.08**

Current maturities of long-term borrowings

	Effective interest rate % p.a.	Maturity	As at March 31, 2026 ₹ in Crore	As at March 31, 2025 ₹ in Crore
Current maturities of long-term borrowings (included in current borrowings)				
Other borrowings (Unsecured) [1]	8.00% - 14.37%	June 30, 2026	**0.14**	0.23
Total (included in Current Borrowings)			**0.14**	0.23
Aggregate secured borrowings			**-**	-
Aggregate unsecured borrowings			**745.59**	744.31

Notes

i) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

iii) The Company has registered all the charges with Registrar of Companies within the statutory period.

iv) On September 12, 2024, the Company issued Redeemable non-convertible debentures - Series 11 ('NCD Series 11') of ₹ 500 Crore. During March 2025, the Company has bought back the NCD Series 11 from the open market and accordingly the liability stands extinguished.

Details of security and terms of repayment

1. Loans amounting to ₹ 0.14 Crore is repayable in monthly instalments till June 2026

2 The Company issued 11,10,000 8% NCRPS to Birla Management Centre Services Private Limited ('BMCSPL') to redeem its existing preference shares. Pursuant to scheme of arrangement, 5,55,000 of these NCRPS were transferred to Aditya Birla Lifestyle Brands Limited.

NOTE 23 : NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Derivative Instruments*	**270.91**	239.43
Liability towards license rights	**33.98**	31.38
Total	**304.89**	**270.81**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

*During the year ended March 31, 2021, the Company acquired 51% stake in Sabyasachi Calcutta LLP by entering into an agreement on February 24, 2021. Under the terms of the Agreement, the Company has provided a Put Option to Mr. Sabyasachi Mukherjee to sell his entire holding of 49% to the Company over a period of fourteen years starting from the end of five years from the aforesaid date and thereafter in three tranches, should an initial public offer of the organisation (after conversion to a company) does not take place. Accordingly, the Company has accounted the put option of ₹ 270.91 Crore (March 31, 2025: ₹ 239.43 Crore) at its fair value as a non-current financial liability based on independent valuation performed by the Company's appointed independent valuer.

NOTE 24 : NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Employee benefit obligation		
Provision for gratuity (Refer Note - 42)	**78.85**	55.93
Stock Appreciation Rights (SAR)	**6.82**	2.63
Total	**85.67**	**58.56**

NOTE 25 : OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Deferred income	**2.17**	2.60
Total	**2.17**	**2.60**

NOTE 26 : CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from banks		
Cash credit/ Working capital demand loan (Unsecured)	**2.47**	13.65
Current maturities of long term borrowings (Refer Note - 22)	**0.14**	0.23
Total current borrowings	**2.61**	**13.88**
Aggregate unsecured borrowings	**2.61**	13.88

NOTE 27a : TRADE PAYABLES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	**75.40**	53.58
Total outstanding dues of creditors other than micro enterprises and small enterprises*	**1,773.81**	1,675.84
Total	**1,849.21**	**1,729.42**

*Includes payables to related parties, refer Note - 46.

1. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

₹ in Crore

		As at March 31, 2026	As at March 31, 2025
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
	Principal amount due to Micro and Small Enterprises*	**47.88**	29.28
	Interest due on the above	**1.11**	0.82
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	**41.42**	97.35
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	**-**	0.71
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year	**1.11**	1.52
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**2.79**	1.72

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 9.35 Crore as at March 31, 2026 (March 31, 2025: ₹ 21.38 Crore).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

2. Ageing of Trade Payables:

₹ in Crore

Particulars		Outstanding as on March 31, 2026 (for following periods from due date of payment)					Total
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	**36.87**	**36.56**	**1.84**	**0.10**	**0.02**	**75.40**
(ii)	Others	**1,427.15**	**262.44**	**76.51**	**2.51**	**5.19**	**1,773.81**
(iii)	Disputed dues – MSME	**-**	**-**	**-**	**-**	**-**	**-**
(iv)	Disputed dues – Others	**-**	**-**	**-**	**-**	**-**	**-**
Total		**1,464.02**	**299.00**	**78.35**	**2.61**	**5.21**	**1,849.21**

₹ in Crore

Particulars		Outstanding as on March 31, 2025 (for following periods from due date of payment)					Total
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	44.86	8.57	0.13	0.01	0.01	53.58
(ii)	Others	1,428.62	228.42	13.37	0.84	4.59	1,675.84
(iii)	Disputed dues – MSME	-	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-	-
Total		**1,473.48**	**236.99**	**13.50**	**0.85**	**4.60**	**1,729.42**

NOTE 27b : SUPPLIER'S CREDIT

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Supplier's credit	**131.73**	109.50
Total	**131.73**	**109.50**

Terms and Conditions of Supplier's Financing Arrangements:

The Company has entered into a supplier financing arrangement with third-party finance providers (financial institution). The company has mainly two types of arrangements which are included under Trade payables (refer Note 27a) and Supplier's credit (refer Note 27b). The terms are as follows:

Arrangement included under Trade payables –

- The Company facilitates submission of invoices of those suppliers who have opted for early settlement to the financial institution for payments.
- The cost of financing are negotiated by the suppliers with the financial institution and is borne by the suppliers.
- The Company pays the financial institution on the contractual due date agreed with the vendors. The Company does not obtain any extended credit terms from the financial institution beyond the contractual due date agreed with the vendors

Arrangement included under Supplier's credit-

- The Company facilitates submission of invoices of suppliers to the third-party finance provider for processing of payment on the due date of invoice.
- Charges from the date of settlement to the supplier till the date of payment to the financial institution by the Company is borne by the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of Financial Liabilities		
Presented in Trade payables (Supplier Financing arrangements) (refer Note 27a)	**808.14**	NA*
- of which suppliers have received payment from finance provider	**738.62**	NA*
Presented in Supplier's credit (refer Note 27b)	**131.73**	109.50
- of which suppliers have received payment from finance provider	**131.73**	109.50

* The Company has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior period.

There were no material business combinations or foreign exchange differences that would affect the liabilities under the supplier finance arrangement in either period.

The carrying amounts of liabilities under the supplier finance arrangement are considered to be reasonable approximations of their fair values, due to their short-term nature.

Note 1: Due date for Liabilities that are part of arrangements is upto 180 days.

Note 2: Due date for comparable liabilities that are not part of arrangements is upto 180 days for liabilities presented under Trade payables and 30-45 days for liabilities presented under Supplier's credit.

Liquidity risks

For supplier financing arrangements ('SFA') presented as Trade payables, the Company does not see any liquidity risk on account of these arrangements, as terms for the Company do not vary materially based on whether the supplier avails such financing arrangements. For supplier financing arrangements ('SFA') presented as Supplier's credit, it has improved the Company's working capital.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The Company has no significant concentration of liquidity risk with any individual finance provider.

Supplier's credit amounting to ₹ / 109.50 crores which was classified under trade payables at March 31, 2025 has been reclassified and presented separately in Standalone Balance Sheet, to confirm with the current years classification. The change does not have a material impact on the Standalone Financial Statements.

NOTE 28 : CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	**31.53**	29.92
Creditors for capital supplies/ services (including dues to micro and small enterprises)	**66.50**	56.98
Derivative contracts	**0.21**	0.03
Employee Payable	**86.99**	78.34
Liability towards license rights	**0.73**	0.13
Others	**0.04**	0.11
Total	**186.00**	**165.51**

NOTE 29 : CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Employee benefit obligation		
Provision for compensated absences	**51.46**	43.36
Provision for gratuity (Refer Note - 42)	**8.21**	5.38
Stock Appreciation Rights (SAR)	**15.13**	19.58
Provision for pending litigations (Refer Note - 45)	**2.51**	2.16
Total	**77.31**	**70.48**

Movement of provision for pending litigations during the year:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening balance	2.16	63.59
Add: provision made during the year	0.35	0.88
Less: provision utilised during the year	(0.00)	(10.48)
Less: provision reversed during the year	-	(1.82)
Less: Transferred pursuant to Scheme of Arrangement	-	(50.02)
Closing balance	2.51	**2.16**

NOTE 30 : OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Advances received from customers	**35.73**	44.11
Deferred revenue*	**17.10**	14.97
Statutory dues (other than income tax)	**26.76**	42.64
Refund liabilities	**84.96**	59.21
Deferred Income	**0.41**	0.43
Total	**164.96**	**161.36**

*** Deferred revenue:**

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	**14.97**	20.89
Deferred during the year	**33.81**	**77.19**
Released to the Standalone Statement of Profit and Loss	**(31.68)**	(76.74)
Transferred pursuant to Scheme of Arrangement	**-**	(6.37)
As at the end of the year	**17.10**	**14.97**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced by the respective businesses of the Company. As at March 31, 2026, the estimated liability towards unredeemed points amounts to ₹ 17.10 Crore (March 31, 2025: ₹ 14.97 Crore).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 31 : REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services.

To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenues when a performance obligation is satisfied.

Revenue from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to the performance obligation.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets (Refer Note - 19) and other current liabilities (Refer Note - 30), respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles customers to redeem as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined based on the historical trends.

Transaction price allocated to reward points is deferred and recognised in the Standalone Statement of Profit and Loss when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Company's brand name. Revenue is recognised over time based on the terms of contracts with the customer.

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

₹ in Crore

	Year ended March 31, 2026	Period ended March 31, 2025
Revenue from sale of products		
Sale of products	**5,841.37**	5,538.17
Revenue from redemption of loyalty points (Refer Note - 30)	**31.68**	31.28
Total revenue from sale of products	**5,873.05**	**5,569.45**
Other operating income		
Scrap sales	**16.48**	9.40
Commission income	**16.25**	28.80
Others	**0.25**	1.25
Total	**5,906.03**	**5,608.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Right to return assets (Refer Note - 19)	**38.46**	36.83
Refund liabilities (Refer Note - 30)	**84.96**	59.21

(b) Contract balances:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Contract assets		
Trade receivables	**166.55**	148.48
Contract Liabilities		
Advances received from customers	**35.73**	44.11
Deferred revenue	**17.10**	14.97

(c) Reconciliation of revenue as recognised in the Standalone Statement of Profit and Loss with the contracted price:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contracted price	**5,988.29**	5,735.37
Less:		
Provision for sales return	**63.71**	110.17
Provision for discounts	**1.45**	1.33
Loyalty points	**17.10**	14.97
Revenue as per the Standalone Statement of Profit and Loss	**5,906.03**	**5,608.90**

(d) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Pantaloons	**4,560.49**	4,372.65
Ethnic and Others	**1,345.54**	1,236.25
Revenue as per the Standalone Statement of Profit and Loss	**5,906.03**	**5,608.90**

(e) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical segment:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from customers outside India	**1.12**	1.43
Revenue from customers within India	**5,904.91**	5,607.47
Revenue as per the Consolidated Statement of Profit and Loss	**5,906.03**	**5,608.90**

NOTE 32 : OTHER INCOME

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Profit on sale of property, plant and equipment	**6.47**	0.65
Interest income	**73.59**	28.87
Net gain on investment in mutual funds (including on redemption)	**68.09**	52.83
Interest income from financial assets at amortised cost	**34.52**	79.23
Gain on retirement of right-of-use assets (Refer Note - 44a)	**24.59**	29.27
Miscellaneous income	**8.68**	7.32
Total	**215.94**	**198.17**

NOTE 33 : COST OF MATERIALS CONSUMED

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
(a)	**Materials consumed**		
	Inventories at the beginning of the year	**28.03**	22.78
	Add: Purchases	**230.16**	177.52
		258.19	**200.30**
	Less: Inventories at the end of the year	**36.46**	28.03
	Total	**221.73**	**172.27**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

		Year ended March 31, 2026	Year ended March 31, 2025
(b)	**Purchase of stock-in-trade**		
	Purchase of stock-in-trade	**2,722.85**	2,486.97
	Total	**2,722.85**	**2,486.97**
(c)	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Opening inventories		
	Finished goods	**189.41**	318.83
	Stock-in-trade	**1,491.04**	1,364.41
	Work-in-progress	**44.88**	25.21
		1,725.33	**1,708.45**
	Less:		
	Closing inventories		
	Finished goods	**261.18**	189.41
	Stock-in-trade	**1,571.38**	1,491.04
	Work-in-progress	**35.53**	44.88
		1,868.09	**1,725.33**
	(Increase)/Decrease in inventories	**(142.76)**	**(16.88)**

NOTE 34 : EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	**726.58**	643.05
Contribution to provident and other funds (Refer Note - 42)	**39.78**	39.32
Share-based payment to employees (Refer Note - 43)	**(7.31)**	21.57
Gratuity expense (Refer Note - 42)	**12.72**	15.10
Staff welfare expenses	**26.67**	28.75
Total	**798.44**	**747.79**

NOTE 35 : FINANCE COSTS

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on borrowings	**69.65**	211.26
Interest expense on lease liabilities (Refer Note - 4b & 44a)	**258.94**	225.10
Other borrowing costs	**1.82**	7.70
Interest expense on financial instruments at amortised cost	**3.19**	3.15
Total	**333.60**	**447.21**

NOTE 36 : DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note - 3a)	**189.90**	171.37
Depreciation on right-of-use assets (Refer Note - 4a & 44a)	**763.83**	674.32
Amortisation on intangible assets (Refer Note - 5)	**87.23**	78.24
Total	**1,040.96**	**923.93**

NOTE 37 : OTHER EXPENSES

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Power and fuel	**0.17**	0.34
Electricity charges	**168.57**	161.57
Repairs and maintenance		
Buildings	**21.53**	20.56
Plant and machinery	**15.60**	14.96
Others	**150.21**	157.16
Insurance	**7.62**	6.09

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

	Year ended March 31, 2026	Year ended March 31, 2025
Rates and taxes	**13.02**	13.38
Processing charges	**139.33**	95.35
Commission to selling agents	**55.07**	51.04
Brokerage and discounts	**-**	0.47
Advertisement and sales promotion	**350.11**	314.19
Transportation and handling charges	**95.92**	87.35
Royalty expenses	**5.28**	6.40
Legal and professional	**77.51**	73.76
Bad debts written off	**0.18**	0.04
Allowances for bad and doubtful debts	**5.74**	3.26
Provision for bad and doubtful deposits and advances**	**(0.57)**	0.93
Printing and stationery	**6.61**	5.93
Travelling and conveyance	**30.75**	24.41
Communication	**1.88**	5.25
Bank and credit card charges	**27.41**	26.67
Auditor's Remuneration (Refer details below)	**2.02**	2.31
Postage expenses	**0.70**	0.54
Foreign exchange loss (net)	**1.23**	2.52
Information technology	**112.83**	93.52
Outsourcing, housekeeping and security	**82.79**	67.14
Corporate Social Responsibility (CSR) (Refer Note - 41)	**2.77**	4.07
Directors' fees	**0.53**	0.95
Miscellaneous	**36.53**	43.21
Total	**1,411.34**	**1,283.37**

**It represents write-back of excess provision towards doubtful deposits no longer required, credited to the Statement of Profit and Loss.

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
For Audit fees	**0.96**	1.72
For Limited Review	**0.30**	-
For Tax Audit fees	**0.10**	0.11
For attestation and certifications services*	**0.46**	1.74
For reimbursement of expenses	**0.20**	0.25
Total	**2.02**	**3.82**

*Above excludes fees of ₹ Nil (March 31, 2025: ₹ 1.51 Crore) paid to auditors for certification services for QIP Issue and Preferential issue, which is directly recognised in other equity.

NOTE 37a : EXCEPTIONAL ITEMS

On November 21, 2025, the Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (together referred to as the Labour Code), consolidating 29 existing labour laws. The Company assessed impact of the Labour Code based on the available information and recognised past service cost on gratuity and compensated absences, amounting to ₹ 29.89 crores, arising on account of revised definition of wages. The said past service cost has been presented as an 'exceptional item' in the Standalone Statement of Profit and Loss for the year ended March 31, 2026.

Exceptional item under discontinued operations for the Year ended March 31, 2025 pertains to exceptional charge on account of impairment of goodwill, right-of-use assets, franchisee rights and provision for inventory obsolescence aggregating to ₹ 98.33 crores pursuant to restructuring of operations of a business unit.

NOTE 38 : INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Standalone Statement of Profit and Loss:

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
Current income tax			
Current income tax charge		**-**	-
	(A)	**-**	**-**
Deferred tax charge / (credit)			
Relating to origination and reversal of temporary differences		**(107.56)**	(109.06)
	(B)	**(107.56)**	**(109.06)**
Total	**(A+B)**	**(107.56)**	**(109.06)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Deferred tax charge/ (credit) on:		
Net (gains)/ losses on re-measurement of defined benefit plans	**1.32**	(0.28)
Net (gains)/ losses on fair value of equity instruments	**1.87**	0.84
Total	**3.19**	**0.56**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Accounting Profit/(Loss) before income tax from Continuing operations	**(459.05)**	**(413.08)**
Tax expense/ (income) at statutory income tax rate of 25.17% (March 31, 2025: 25.17%)	**(115.54)**	(103.97)
Expenses not allowed under the Income tax Act:		
Corporate Social Responsibility	**0.70**	1.01
Expenses disallowed for tax purposes	**0.46**	0.56
Others	**6.82**	(6.66)
Income tax expenses/ (income) of Continuing operations as per Statement of Profit and Loss Account	**(107.56)**	**(109.06)**
Accounting Profit/(Loss) before income tax from discontinued operations	**-**	**237.50**
Tax expense/ (income) at statutory income tax rate of 25.17% (March 31, 2025: 25.17%)	**-**	59.78
Expenses not allowed under the Income tax Act:		
Expenses disallowed for tax purposes	**-**	0.47
Others	**-**	0.75
Income tax expenses/ (income) of discontinued operations as per Statement of Profit and Loss Account	**-**	**61.00**

NOTE 39 : EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
Continuing operations			
Profit/(Loss) for calculation of EPS	**(A)**	**(351.49)**	**(304.03)**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	**1,216,875,235**	1,087,580,070
Profit / (Loss) per share - basic (₹)	**(A/B)**	**(2.89)**	**(2.80)**
Weighted average number of equity shares outstanding		**1,216,875,235**	1,087,580,070
Weighted average number of potential equity shares*		**623,110**	1,971,425
Weighted average number of equity shares for calculation of Diluted EPS	**(C)**	**1,216,875,235**	1,087,580,070
Diluted EPS (₹)	**(A/C)**	**(2.89)**	**(2.80)**
Nominal value of shares (₹)		**10.00**	10.00
Discontinued operations			
Profit/(Loss) for calculation of EPS	**(A)**	**-**	**176.50**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	**-**	1,087,580,070
Profit / (Loss) per share - basic (₹)	**(A/B)**	**-**	**1.62**
Weighted average number of equity shares outstanding		**-**	1,087,580,070
Weighted average number of potential equity shares*		**-**	1,971,425
Weighted average number of equity shares for calculation of Diluted EPS	**(C)**	**-**	1,087,580,070
Diluted EPS (₹)	**(A/C)**	**-**	**1.62**
Nominal value of shares (₹)		**-**	10.00
Continuing and discontinued operations			
Profit/(Loss) for calculation of EPS	**(A)**	**(351.49)**	**(127.53)**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	**1,216,875,235**	1,087,580,070
Profit / (Loss) per share - basic (₹)	**(A/B)**	**(2.89)**	**(1.18)**
Weighted average number of equity shares outstanding		**1,216,875,235**	1,087,580,070
Weighted average number of potential equity shares*		**623,110**	1,971,425
Weighted average number of equity shares for calculation of Diluted EPS	**(C)**	**1,216,875,235**	1,087,580,070
Diluted EPS (₹)	**(A/C)**	**(2.89)**	**(1.18)**
Nominal value of shares (₹)		**10.00**	10.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note :-

a) Treasury shares are adjusted in computing the weighted average number of equity shares outstanding during the year in calculation of EPS.

b) Stock options granted to the employees under various ESOP schemes are considered to be potential equity shares. The same is considered in the determination of diluted earnings per share to the extent that they are not anti-dilutive. Vested unexercised stock options/RSUs have been considered in the calculation of Basic EPS where the excercise price of such options are insignificant. The details relating to stock options are given in Note - 43.

* The Stock options/RSUs are anti-dilutive and hence have been ignored for the purpose of calculating diluted EPS.

NOTE 40 : LARGE CORPORATE DISCLOSURE

The Company is not classified as a Large Corporate as per SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023, since its outstanding long-term borrowings do not exceed the prescribed threshold.

NOTE 41 : DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON

Details of actual CSR expenditure incurred:

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
i)	Amount required to be spent by the company during the year	**-**	-
ii)	Amount of expenditure incurred	**2.77**	4.07
iii)	Shortfall at the end of the financial year	**-**	-
iv)	Total of previous years shortfall	**-**	-
v)	Reason for shortfall	**Not Applicable**	Not Applicable
vi)	Nature of CSR activities	CSR activities are mainly focussed towards Education, Health and Sanitation, Water, Digitisation, Sustainable livelihood, Institutional Building and Social Causes.	
vii)	Details of related party transaction (contribution to a trust)	**2.77**	4.07
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	**Not Applicable**	Not Applicable

Note:-

a. The Company was not required to spend on Corporate Social Responsibility ("CSR") activities during the year ended March 31, 2026.

b. Above disclosure excludes an amount of ₹ 2.23 Crore which were initially paid by the Company on behalf of Aditya Birla Lifestyle Brands Limited ('ABLBL') and was subsequently reimbursed by ABLBL.

NOTE 42 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company operates a gratuity plan through a Trust wherein eligible employees are entitled to a benefits equivalent to fifteen days' wages last drawn for each completed year of service, in compliance with the Code on Social Security, 2020. In accordance with the Code's standardized definition of wages, the calculation base is mandated to comprise a minimum of 50% of the employee's total Cost to Company (CTC). In cases where the Company's internal scheme provides more favorable terms than the minimum obligations under the Code, the more favorable terms are applied.

The benefits are payable on termination of service, resignation, or retirement, whichever occurs earlier. For regular permanent employees, the benefits vest after five years of continuous service.

A part of the gratuity plan is funded and another part is unfunded and managed within the Company, hence the liability has been bifurcated into funded and unfunded.

The Company has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Limited), details of which is available in the table of Investment pattern of plan assets.

Pursuant to the Scheme of Arrangement (refer Note 51), the Management is in the process of completing the requisite legal and regulatory formalities for transferring the funds relating to employees transferred to Aditya Birla Lifestyle Brands Limited ("ABLBL"), currently held by the Aditya Birla Fashion and Retail Limited – Employees Group Gratuity Fund Trust, to ABLBL.

The following tables summarise the components of net benefit expense recognised in the Standalone Statement of Profit and Loss and Standalone Balance Sheet for the respective plans:

Unfunded defined benefit plan

Net benefit expense recognised through the Standalone Statement of Profit and Loss

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	**10.06**	9.27
Interest cost on defined benefit obligation	**4.40**	3.77
Past Sevice Cost	**23.13**	-
Total	**37.59**	**13.04**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	**58.77**	**52.39**
Current service cost	**10.06**	**9.27**
Interest cost on defined benefit obligation	**4.40**	3.77
Past Service Cost	**23.13**	-
	96.36	**65.43**
Actuarial (gain)/ loss on account of:		
Changes in demographic assumptions	**0.20**	-
Changes in financial assumptions	**(4.20)**	2.24
Experience adjustments	**(1.92)**	(1.43)
Actuarial (gain)/ loss recognised in Other Comprehensive Income	**(5.92)**	**0.81**
Benefits paid	**(6.56)**	(7.53)
Liabilities assumed/ (settled)	**(0.62)**	0.05
Closing defined benefit obligation	**83.26**	**58.77**

Funded defined benefit plan

Net benefit expense recognised through the Standalone Statement of Profit and Loss

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Current service cost	**2.53**	13.51
Interest cost on defined benefit obligation	**1.64**	7.33
Interest income on plan assets	**(1.40)**	(6.56)
Past Service Cost	**2.25**	0.00
(Less): Amount attributable to discontinued operations	**-**	(12.22)
	5.02	**2.06**

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	**23.81**	**97.77**
Current service cost	**2.53**	13.51
Interest cost on defined benefit obligation	**1.64**	7.33
Past Service Cost	**2.25**	-
	30.23	**118.61**
Actuarial (gain)/ loss on account of:		
Changes in financial assumptions	**(0.48)**	4.58
Experience adjustments	**0.43**	0.11
Actuarial (gain)/ loss recognised in Other Comprehensive Income	**(0.05)**	**4.69**
Benefits paid	**(3.46)**	(7.79)
Liabilities assumed/ (settled)	**1.55**	1.13
Transfer pursuant to Scheme of Arrangement (Refer Note - 51)	**-**	(92.83)
Closing defined benefit obligation	**28.27**	**23.81**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening fair value of the plan assets	**21.27**	**91.16**
Contributions by the employer	**2.53**	6.62
Interest income on plan assets	**1.40**	6.56
Actual returns on plan assets excluding amounts included in net interest	**(0.74)**	(0.11)
Benefits paid	**-**	-
Asset acquired/ (settled)*	**-**	-
Transfer pursuant to Scheme of Arrangement (Refer Note - 51)	**-**	(82.96)
Closing fair value of the plan assets	**24.46**	**21.27**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Amounts recognised in the Standalone Balance Sheet

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Funded		
Present value of the defined benefit obligation	**28.27**	23.81
Fair value of plan assets	**(24.46)**	(21.27)
Net liability/ (asset)	**3.81**	**2.54**
Net liability is classified as follows:		
Current	**-**	-
Non-current	**3.81**	2.54
Net liability - Funded	**3.81**	**2.54**

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Unfunded		
Present value of the defined benefit obligation	**83.26**	58.77
Liability	**83.26**	**58.77**
Net liability is classified as follows:		
Current	**8.21**	5.38
Non-current	**75.05**	53.39
Liability - Unfunded	**83.26**	**58.77**

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Company are shown below:

	As at March 31, 2026	As at March 31, 2025
Discount rate		
Funded plan	**7.00%**	6.70%
Unfunded plan	**7.00% to 7.70%**	6.70% to 6.85%
Salary escalation rate		
Funded plan		
Management	**8.00%**	8.00%
Staff	**7.00%**	7.00%
Workers	**5.00%**	5.00%
Unfunded plan		
Stores	**7.00% to 8.00%**	7.00% to 8.00%
HO and Zones	**8.00%**	8.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2026		As at March 31, 2025	
Sensitivity disclosure				
Discount rate	**0.50% increase**	**0.50% decrease**	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)				
Funded plan	**(0.76)**	**0.80**	(0.69)	0.72
Unfunded plan	**(5.36)**	**6.23**	(3.99)	4.67
Salary escalation rate	**0.50% increase**	**0.50% decrease**	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)				
Funded plan	**0.75**	**(0.72)**	0.71	(0.68)
Unfunded plan	**5.86**	**(5.13)**	4.49	(3.91)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

There has been no change from the previous year in the method and assumptions used in preparing the sensitivity analysis.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	**12.44**	8.80
Between 2 and 5 years	**46.61**	33.52
Between 6 and 10 years	**43.11**	31.36
Beyond 10 years	**147.64**	101.58
Total	**249.80**	**175.26**

The Company is expected to contribute ₹ 6.90 Crore to the gratuity fund during the year ended March 31, 2027. (March 31, 2026: 4.94 Crore)

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 - 7 years (March 31, 2025: 8 years).

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities. If plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	The present value of the defined benefit plan liability is sensitive to future salary growth assumptions. The obligation is calculated based on projected salaries of employees, which incorporate expected inflation and career progression. If actual salary increase is higher than the assumed, the defined benefit obligation will rise, leading to an increase in the plan liability.
Life Expectancy	The Gratuity plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans

Provident Fund: Contributions are made to registered provident fund administered by the government at the rate of 12% of the basic salary. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund. The corpus of the fund is administered by a Trust belonging to the company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Labour Welfare Fund (LWF): The Labour Welfare Fund (LWF) is a statutory contributory fund managed by the individual state government authorities in India. The state Labour Welfare Board determines the frequency and amount of the LWF contribution and it differs from state to state. The contributions to the LWF are made annually, half-yearly or monthly.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Government Provident Fund	**31.58**	30.71
Contribution to Superannuation Fund	**0.63**	1.10
Contribution to Employee Pension Scheme (EPS)	**3.31**	1.79
Contribution to Employee State Insurance (ESI)	**3.99**	5.34
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	**0.15**	0.27
Contribution to Labour Welfare Fund (LWF)	**0.12**	0.11
Total	**39.78**	**39.32**

Note:

1. The Company has evaluated the impact of the Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances in the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. In the assessment of the management, the aforesaid matter is not likely to have a significant impact on the Company and accordingly, no provision has been made in the financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 43 : SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

	Year ended March 31, 2026	Year ended March 31, 2025
Expense arising from equity-settled share-based payment arrangements (net of cross charge)	**5.34**	(0.79)
Expense arising from cash-settled share-based payment arrangements	**(12.65)**	22.36
Total	**(7.31)**	**21.57**

A. Employee share-based payment plans

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

During the year ended March 31, 2018, i.e. on July 25, 2017, the Nomination and Remuneration Committee of the Board of Directors of the Company ("NRC") and the Board of Directors ("Board") approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees of the Company and of its subsidiary companies, subject to the approval of the Shareholders of the Company. Shareholders of the Company, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

In terms of the Scheme of Arrangement (refer Note 51) for demerger of Madura Fashion and Lifestyle undertaking ('MFL') to Aditya Birla Lifestyle Brands Limited ('ABLBL'), certain eligible employees of ABLBL are entitled to stock options and Restricted Stock Units (RSUs) under the Scheme 2017.

Under the plan, participants are granted options which vest in a graded manner in equal proportions annually over four years from the grant date. Once vested, the options remain exercisable for a period of five years. Options granted under the plan carry no dividend or voting rights.

i) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current and previous year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of Options	Weighted average exercise price# (₹ per share)
Options				
Outstanding at the beginning of the financial year	**4,29,383**	**177.99**	**9,19,897**	**176.67**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(39,950)**	**58.30**	(4,68,005)	175.37
Forfeited during the financial year	**(3,600)**	**58.30**	(22,509)	178.30
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**3,85,833**	**58.19**	**4,29,383**	**177.99**
Unvested at the end of the financial year	**-**	**-**	**-**	**-**
Exercisable at the end of the financial year	**3,85,833**	**58.19**	**4,29,383**	**177.99**

^The share prices on the date of exercise ranged from ₹ 86.68 to ₹ 273.20. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

Under the plan, participants are granted RSUs which vest upon completion of three years from the grant date. Once vested, the RSUs remain exercisable for a period of five years. RSUs granted under the plan carry no dividend or voting rights.

The following table illustrates the number and weighted average exercise prices of, and movements in, RSUs during the current and previous year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of RSUs	Weighted average exercise price# (₹ per share)	No. of RSUs	Weighted average exercise price# (₹ per share)
RSUs				
Outstanding at the beginning of the financial year	**2,31,796**	**10.00**	**2,45,866**	**10.00**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(2,31,796)**	**3.27**	(14,070)	10.00
Forfeited during the financial year	**-**	**-**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**-**	**-**	2,31,796	10.00
Unvested at the end of the financial year	**-**	**-**	-	-
Exercisable at the end of the financial year	**-**	**-**	2,31,796	10.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

^The share prices on the date of exercise ranged from ₹ 64.78 to ₹ 264.70. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

In Accordance with the Approved Scheme of Arrangement, the exercise price per option and RSU were adjusted, reflecting the relative fair values of the Company and the Demerged company.

Share options outstanding at the end of the year have expiry dates ranging from September 7, 2026 till February 01, 2027 and exercise prices ranging from ₹ 53.50 to ₹ 58.30.

Weighted average remaining contractual life of options outstanding at end of the year is 0.45 years.

II. Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2017

In terms of the Approved Scheme of Arrangement (refer Note 51), the existing grantees of Aditya Birla Fashion and Retail Limited ('ABFRL') Employee Stock Option Schemes, comprising eligible employees of Aditya Birla Lifestyle Brands Limited ('ABLBL') and certain employees of the Company were entitled to an equal number of stock options and Restricted Stock Units (RSUs) of ABLBL. The Nomination and Remuneration Committee ("NRC") of the Board of Directors ("Board") of the ABLBL formulated the above ESOP Scheme which was approved on May 23, 2025. Options and RSUs granted under the plan carry no dividend or voting rights. Upon exercise, each option/ RSU is convertible into one equity share of ABLBL. Options and RSUs granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding options/ RSUs of ABFRL.

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

Particulars	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Options/RSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**-**	**-**	-	-
Pursuant to the Approved Scheme	**2,42,533**	**119.63**	**1,45,606**	**6.73**
Exercised during the financial year^	**(9,003)**	**120.00**	(1,45,606)	6.73
Forfeited during the financial year	**(1,800)**	**120.00**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**2,31,730**	**119.62**	**-**	**-**
Unvested at the end of the financial year	**-**	**-**	**-**	**-**
Exercisable at the end of the financial year	**2,31,730**	**119.62**	**-**	**-**

^The weighted average share price at the date of exercise of these Options was ₹ 142.01 and RSUs was ₹ 139.11

Share options outstanding at the end of the year have expiry dates ranging from September 7, 2026 till February 01, 2027 and exercise prices ranging from ₹ 110.10 to ₹ 120.00

Weighted average remaining contractual life of options outstanding at end of the year is 0.45 years.

III. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

During the year ended March 31, 2020, on July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors ("Board"), approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019") through trust route, for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees of the Company and of its subsidiary companies. Settlement under Scheme 2019 is done through ABFRL Employee Welfare Trust("Trust). Purchase of shares by the Trust is funded thorugh a loan provided by the Company.

In terms of the Scheme of Arrangement (refer Note 41) for demerger of Madura Fashion and Lifestyle undertaking ('MFL') to Aditya Birla Lifestyle Brands Limited ('ABLBL'), certain eligible employees of ABLBL are entitled to stock options and Restricted Stock Units (RSUs) under the Scheme 2017.

Under the plan, participants are granted options which vest in equal annual instalments over a period of one to three years from the grant date (graded vesting). Certain options also vest in a single tranche at the end of three years from the grant date (bullet vesting). Once vested, the options remain exercisable for a period of five years. Options granted under the plan carry no dividend or voting rights.

i) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in Options during the current and previous year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of Options	Weighted average exercise price# (₹ per share)
Options				
Outstanding at the beginning of the financial year	**33,19,190**	**223.86**	**37,43,861**	**224.14**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(1,90,932)**	**64.72**	(2,19,850)	196.72
Forfeited during the financial year	**(44,236)**	**70.65**	(2,04,822)	258.02
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**30,84,022**	**73.76**	**33,19,190**	**223.86**
Unvested at the end of the financial year	**-**	**-**	**2,53,481**	**-**
Exercisable at the end of the financial year	**30,84,022**	**73.76**	**30,65,709**	**218.38**

^The share prices on the date of exercise ranged from ₹ 86.68 to ₹ 273.20. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Under the plan, participants are granted RSUs which vest upon completion of three years from the grant date. Once vested, the RSUs remain exercisable for a period of five years. RSUs granted under the plan carry no dividend or voting rights.

The following table illustrates the number and weighted average exercise prices of, and movements in RSUs during the current and previous year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of RSUs	Weighted average exercise price# (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
RSUs				
Outstanding at the beginning of the financial year	**6,84,936**	**10.00**	**7,69,832**	**10.00**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(78,509)**	**3.27**	(82,886)	10.00
Forfeited during the financial year	**-**	**-**	(2,010)	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**6,06,427**	**3.27**	6,84,936	10.00
Unvested at the end of the financial year	**-**	**-**	2,16,470	-
Exercisable at the end of the financial year	**6,06,427**	**3.27**	4,68,466	10.00

^The share prices on the date of exercise ranged from ₹ 58.85 to ₹ 264.70. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

In Accordance with the Approved Scheme of Arrangement, the exercise price per option and RSU were adjusted, reflecting the relative fair values of the Company and the Demerged company.

Share options outstanding at the end of the year have expiry dates ranging from November 30, 2026 till September 18, 2030 and exercise prices ranging from ₹ 53.66 to ₹ 108.16.

Weighted average remaining contractual life of options outstanding at end of the year is 1.90 years.

RSUs outstanding at the end of the year have expiry dates ranging from November 30, 2027 till September 18, 2030 and exercise price is ₹ 3.27.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 2.50 years.

IV. Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2019

In terms of the Approved Scheme of Arrangement (refer Note 51), the existing grantees of Aditya Birla Fashion and Retail Limited ('ABFRL') Employee Stock Option Schemes, comprising eligible employees of Aditya Birla Lifestyle Brands Limited ('ABLBL') and certain employees of the Company were entitled to an equal number of stock options and Restricted Stock Units (RSUs) of ABLBL. The Nomination and Remuneration Committee ("NRC") of the Board of Directors ("Board") of the ABLBL formulated the above ESOP Scheme which was approved on May 23, 2025. Options and RSUs granted under the plan carry no dividend or voting rights. Upon exercise, each option/ RSU is convertible into one equity share of ABLBL.

Options and RSUs granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding options/ RSUs of ABFRL.

The following table illustrates the number and weighted average exercise prices of, and movements in Options and RSUs during the current year:

Particulars	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Options/RSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**-**	**-**	-	-
Pursuant to the Approved Scheme	**21,04,164**	**153.06**	**4,92,082**	**6.73**
Exercised during the financial year^	**(16,277)**	**116.80**	(25,971)	6.73
Forfeited during the financial year	**(38,164)**	**146.63**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**20,49,723**	**153.47**	**4,66,111**	**6.73**
Unvested at the end of the financial year	**-**	**-**	**-**	**-**
Exercisable at the end of the financial year	**20,49,723**	**153.47**	**4,66,111**	**6.73**

^The weighted average share price at the date of exercise of these Options was ₹ 142.01 and RSUs was ₹ 129.80.

Share options outstanding at the end of the year have expiry dates ranging from November 30, 2026 till September 18, 2030 and exercise prices ranging from ₹ 116.80 to ₹ 222.59

Weighted average remaining contractual life of options outstanding at end of the year is 1.90 years.

RSUs outstanding at the end of the year have expiry dates ranging from November 30, 2027 till September 18, 2030 and exercise price is ₹ 6.73.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 2.43 years.

V. Aditya Birla Fashion and Retail Limited -TCNS Division Employee Stock Option Scheme 2024 ("ABFRL-TCNS Division ESOP Scheme")

Pursuant to merger of TCNS Clothing Ltd. with ABFRL, the Company issued replacement awards to the employees of TCNS as per Clause 24 of the approved Scheme of Amalgamation, i.e. in line with terms of grants made to them under the schemes previously issued by erstwhile TCNS Clothing Ltd., with adjustment for number of options and related terms in the Share Exchange Ratio.

Under the plan, participants are granted options which vest in equal annual instalments over the period from the grant date (graded vesting). Once vested, the options remain exercisable for a period of upto seven years. Options granted under the plan carry no dividend or voting rights.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

i) Movement of Options granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current and previous year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of Options	Weighted average exercise price (₹ per share)
Options				
Outstanding at the beginning of the financial year	**24,27,380**	**220.46**	**-**	**-**
Granted during the financial year*	**-**	**-**	24,27,380	220.46
Exercised during the financial year^	**(5,500)**	**53.51**	-	-
Forfeited during the financial year	**(2,14,501)**	**89.18**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**22,07,379**	**70.83**	**24,27,380**	**220.46**
Unvested at the end of the financial year	**-**	**-**	**95,333**	**-**
Exercisable at the end of the financial year	**22,07,379**	**70.83**	**23,32,047**	**217.84**

* Includes grants pursuant to the approved Scheme of Amalgamation.

^The share prices on the date of exercise ranged from ₹ 81.64 to ₹ 263.55. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

In Accordance with the Approved Scheme of Arrangement, the exercise price per option was adjusted, reflecting the relative fair values of the Company and the Demerged company.

Share options outstanding at the end of the year have expiry dates ranging from January 22, 2027 till September 30, 2031 and exercise prices ranging from ₹ 53.51 to ₹ 127.71

Weighted average remaining contractual life of options outstanding at end of the year is 2.03 years.

VI. Aditya Birla Lifestyle Brands Limited -TCNS Employee Stock Option Scheme 2024

In terms of the Approved Scheme of Arrangement (refer Note 51), the existing grantees of Aditya Birla Fashion and Retail Limited -TCNS Division Employee Stock Option Scheme 2024, comprising eligible employees of Aditya Birla Lifestyle Brands Limited ('ABLBL') and certain employees of the Company were entitled to an equal number of stock options and Restricted Stock Units (RSUs) of ABLBL. The Nomination and Remuneration Committee ("NRC") of the Board of Directors ("Board") of the ABLBL formulated the above ESOP Scheme which was approved on May 23, 2025. Options granted under the plan carry no dividend or voting rights. Upon exercise, each option/ RSU is convertible into one equity share of ABLBL. Options and RSUs granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding options/ RSUs of ABFRL.

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current year:

Particulars	As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)
Options		
Outstanding at the beginning of the financial year	**-**	**-**
Granted during the financial year	**-**	**-**
Options due to transfer in (net) pursuant to the Approved Scheme	**23,43,504**	**147.80**
Exercised during the financial year^	**(5,500)**	**110.13**
Forfeited during the financial year	**(1,30,625)**	**147.80**
Expired during the financial year	**-**	**-**
Outstanding at the end of the financial year	**22,07,379**	**145.78**
Unvested at the end of the financial year	**-**	**-**
Exercisable at the end of the financial year	**22,07,379**	**145.78**

^The weighted average share price at the date of exercise of these options was ₹ 130.17

Share options outstanding at the end of the year have expiry dates ranging from January 22, 2027 till September 30, 2031 and exercise prices ranging from ₹ 110.13 to ₹ 262.84

Weighted average remaining contractual life of options outstanding at end of the year is 2.03 years.

VII. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2025

On August 13, 2025, the Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2025" ("ESOP Scheme 2025"), to grant Stock Options in the form of "Options" and "PSUs", from time to time, to the eligible employees (as defined in the ESOP Scheme 2025).

Under the plan, participants are granted options which vest in a graded manner in equal proportions annually over three years from the grant date. PSUs vest upon completion of three years from the grant date. Once vested, the options and PSUs remain exercisable for a period of five years. Options and PSUs granted under the plan carry no dividend or voting rights.

i) Movement of Options and PSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and PSUs during the year:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of PSUs	Weighted average exercise price (₹ per share)
Options/PSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**36,18,922**	**85.15**	11,31,398	10.00
Exercised during the financial year	**-**	**-**	**-**	**-**
Forfeited during the financial year	**(29,964)**	**85.22**	(24,009)	10.00
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**35,88,958**	**85.22**	**11,07,389**	**10.00**
Unvested at the end of the financial year	**35,88,958**	**85.22**	**11,07,389**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

Share options outstanding at the end of the year have expiry dates ranging from November 04, 2031 till February 05, 2034 and exercise prices ranging from ₹ 68.84 to ₹ 85.38.

Weighted average remaining contractual life of options outstanding at end of the year is 6.60 years.

RSUs outstanding at the end of the year have expiry dates ranging from November 04, 2033 till February 05, 2034 and exercise price is ₹ 10.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 7.61 years.

Fair value of options granted:

The fair value at grant date of options granted during the year ended 31 March 2026 was in the range of ₹ 23.84 to ₹ 39.39 and ₹ 38.70 to ₹ 79.57 for PSUs. The fair value at grant date is independently determined using the Binomial Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for Options and PSUs granted during the year ended 31 March 2026 included:

- Exercise price: ₹ 68.84 to ₹ 85.38 for options; ₹ 10 for PSUs
- Grant date: November 04, 2025 and February 05, 2026
- Share price at grant date: ₹ 85.38 and ₹ 68.84
- Expected price volatility of the company's shares: 26.68% to 29.68%
- Expected dividend yield: 0%
- Risk-free interest rate: 6.56% to 6.89%

VIII. Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2025

On August 13, 2025, the Nomination and Remuneration Committee and the Board of Directors of the ABLBL, at their respective meetings had approved the "Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2025" ("ABLBL ESOS 2025"), to grant Stock Options in the form of "Options" and "PSUs", from time to time, to the eligible employees (as defined in the ABLBL ESOS 2025).

Under the plan, participants are granted options which vest in a graded manner in equal proportions annually over three years from the grant date. PSUs vest upon completion of three years from the grant date. Once vested, the options and PSUs remain exercisable for a period of five years. Options and PSUs granted under the plan carry no dividend or voting rights.

i) Movement of Options and PSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and PSUs during the year:

Particulars	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of PSUs	Weighted average exercise price (₹ per share)
Options/PSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**2,04,416**	**136.20**	70,623	10.00
Exercised during the financial year	**-**	**-**	**-**	**-**
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**2,04,416**	**136.20**	**70,623**	**10.00**
Unvested at the end of the financial year	**2,04,416**	**136.20**	**70,623**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

Share options outstanding at the end of the year have expiry dates ranging from November 03, 2031 till November 03, 2033 and exercise price of ₹ 136.20.

Weighted average remaining contractual life of options outstanding at end of the year is 6.6 years.

RSUs outstanding at the end of the year have expiry date of November 03, 2033 and exercise price of ₹ 10.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 7.6 years.

Fair value of options granted:

The fair value at grant date of options granted during the year ended 31 March 2026 was in the range of ₹ 55.99 to ₹ 64.57 and ₹ 130.39 for RSUs. The fair value at grant date is independently determined using the Binomial Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for Options and PSUs granted during the year ended 31 March 2026 included:

- Exercise price: ₹ 136.20 for options; ₹ 10 for RSUs
- Grant date: November 04, 2025
- Share price at grant date: ₹ 136.20
- Expected price volatility of the company's shares: 27.94% to 29.47%
- Expected dividend yield: 0%
- Risk-free interest rate: 6.56% to 6.78%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

B. Stock Appreciation Rights (SARs)

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant SARs in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

i) Outstanding SARs - ABFRL

The fair value of the Option SARs was determined using the Binomial model using the following inputs:

Particulars	March 31, 2026
Share price at measurement date (₹ per share)	₹ 53.89
Expected volatility (%)	21.69% to 28.58%
Dividend yield (%)	0%
Risk-free interest rate (%)	5.46% to 6.28%

Details of the SARs outstanding as at March 31, 2026 are as follows:

No. of units outstanding as at March 31, 2026	Range of Vesting Period
23,31,817	1 to 4 years

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant SARs in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).

i) Outstanding SARs

The fair value of the SARs was determined using the Binomial model using the following inputs:

Particulars	March 31, 2026
Share price at measurement date (₹ per share)	₹ 53.89
Expected volatility (%)	28.57% to 29.28%
Dividend yield (%)	0%
Risk-free interest rate (%)	6.21% to 6.63%

Details of the SARs outstanding as at March 31, 2026 are as follows:

No. of units outstanding as at March 31, 2026	Range of Vesting Period
38,60,391	1 to 3 years

SAR Provision as at the year-end classified as:

Particulars	As at March 31, 2026	As at March 31, 2025
Current	**15.13**	19.58
Non-current	**6.82**	2.63
Total	**21.95**	**22.21**

III. Aditya Birla Lifestyle Brands Limited Stock Appreciation Rights Scheme 2019

In terms of the Approved Scheme of Arrangement (refer Note 41), the existing grantees of Aditya Birla Fashion and Retail Limited ('ABFRL') Stock Appreciation Rights Scheme 2019 ('SAR 2019'), were also granted equivalent Stock Appreciation Rights of Aditya Birla Lifestyle Brands Limited ('ABLBL') during the year. Upon exercise, eligible employees of the Company are entitled to cash payment by the ABLBL. SARs granted under the Scheme shall have remaining Exercise Period of corresponding outstanding SARs of ABFRL.

Set out below is a summary of option SARs and RSU SARs granted under the plan:

Particulars	As at March 31, 2026	
	Number of option SARs	Number of RSU SARs
Opening balance	**-**	**-**
Pursuant to the Approved Scheme	**12,84,258**	**5,62,080**
Granted during the year	**-**	**-**
Exercised during the year *	**(3,21,687)**	**(61,400)**
Forfeited during the year	**(58,659)**	**(11,508)**
Expired during the year	**-**	**-**
Closing balance	**9,03,912**	**4,89,172**
Unvested	**-**	**-**
Vested and exercisable	**9,03,912**	**4,89,172**

* The weighted average share price at the date of exercise of option SARs during the year was ₹ 132.26 and ₹ 131.95 for RSU SARs.

Option SARs outstanding at the end of the year have expiry dates ranging from August 04, 2026 till November 02, 2028.

Weighted average remaining contractual life of option SARs outstanding at end of the year is 1.32 years.

RSU SARs outstanding at the end of the year have expiry dates ranging from August 17, 2027 till November 30, 2028.

Weighted average remaining contractual life of RSU SARs outstanding at end of the year is 1.87 years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 44 : COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Company has entered into agreements for taking on lease certain land, resident and office premises, stores, warehouses, factories and property, plant and equipment on lease. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Company has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

Expenses/ Income recognised in the Standalone Statement of Profit and Loss (Continuing and Discontinued Operations)

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Other income		
Gain on retirement of right-of-use assets*	**24.59**	38.20
* Amount pertaining to Discontinued operations is ₹ 8.93 Crore in March 31, 2025		
Rent		
Expense relating to short-term leases	**33.10**	49.13
Expense relating to leases of low value assets	**-**	-
Variable rent**	**131.87**	891.07
* Amount pertaining to Discontinued operations is ₹ 764.70 Crore in March 31, 2025		
Finance cost		
Interest expense on lease liabilities*	**258.94**	412.84
* Amount pertaining to Discontinued operations is ₹ 187.74 Crore in March 31, 2025		
Depreciation and amortisation expenses		
Depreciation on right-of-use assets*	**763.83**	1,074.97
* Amount pertaining to Discontinued operations is ₹ 400.65 Crore in March 31, 2025		
Other expenses*		
Processing charges	**-**	32.65
Sublease payments received (not shown separately in the Standalone Statement of Profit and Loss)	**2.60**	89.60

* Amount pertaining to Discontinued operations is ₹ 121.22 Crore in March 31, 2025

** The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Within one year	**982.12**	731.97
After one year but not more than five years	**2,485.39**	1,788.22
More than five years	**448.31**	164.77
Total	**3,915.82**	**2,684.96**

The initial non-cancellable period of the lease agreement for stores is upto 3 years, beyond which there is an option for the lessee to continue the lease, which the Company expects to continue for a period of 2 to 6 years after the initial non-cancellable period, accordingly 5 to 9 years has been considered as the lease term. Post the non-cancellable period, the Company has the option to exit the lease by giving a notice period. The Company assesses its intention to continue considering its location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2026 is ₹ 1,104.74 Crore (March 31, 2025 (Continuing and Discontinued Operations): ₹ 2,429.24 Crore).

Total cash outflow for leases for Discontinued Operations for the year ended March 31, 2025 is ₹ 1,494.23 Crore.

The Company entered into a sale and leaseback transaction in respect of certain assets such as furniture and fixtures, office equipment etc., in line with its capital expenditure strategy. The assets were sold at fair values with ₹ 7.08 Crore (March 31, 2025: ₹ 3.55 Crore) gains. Sale proceeds of ₹ 41.96 Crore (March 31, 2025: ₹ 12.76 Crore) were realised upon sale of such assets. The lease arrangement is for a period of 4-5 years. The assets leased back have same has been recorded as a right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Lease commitment for short-term leases	**3.81**	4.76
Lease commitment for leases of low value assets	**-**	-
Total	**3.81**	**4.76**

Variable lease payments

Some store leases contain variable payment terms that are linked to sales generated from a store. For certain stores, upto 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	As at March 31, 2026		As at March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
Rent	**6.59**	**(6.59)**	44.55	(44.55)

b) Capital commitments

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**32.89**	61.20
Total	**32.89**	**61.20**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

c) Other commitments

As at March 31, 2026, the Company has committed to provide financial support to TG Apparel & Décor Private Limited, Jaypore E-Commerce Private Limited and Indivinity Clothing Retail Private Limited to enable them to meet their commitments within a period of next 12 months.

NOTE 45 : CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debts		
Commercial taxes	**2.28**	7.59
Excise duty	**-**	1.70
Customs duty	**0.33**	-
Others*	**9.79**	7.51
Total	**12.40**	**16.80**

* Pertains to claims made by third parties, pending settlement, which are considered not tenable.

The Company's pending litigations include claims relating to rent disputes with a landlord, demands raised by mathadi workers, and commercial tax matters involving shortfall in payments due to non submission of Forms F, H, I and C, as well as disallowance of input tax credit.

The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Company does not expect the outcome of these proceedings to have a material adverse effect on the standalone financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Company has a provision of ₹ 2.51 Crore as at March 31, 2026 (March 31, 2025: ₹ 2.16 Crore) (Refer Note - 29).

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2026.

Note :- As per the approved Scheme of Arrangement, the Company has transferred contingent liabilities of ₹ 7.61 Crore specifically attributable to MFL business of Aditya Birla Lifestyle Brands Limited as on March 31, 2025.

NOTE 46 : RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Subsidiaries

Jaypore E-Commerce Private Limited (Wholly-owned subsidiary)

TG Apparel & Decor Private Limited (Wholly-owned subsidiary)

Finesse International Design Private Limited

Sabyasachi Calcutta LLP

Sabyasachi Inc. (A wholly-owned subsidiary of Sabyasachi Calcutta LLP)

Indivinity Clothing Retail Private Limited

Aditya Birla Digital Fashion Ventures Limited

House of Masaba Lifestyle Private Limited

Aditya Birla Garments Limited (till March 26, 2025)

Pratyaya E-Commerce Private Limited (Subsidiary of Aditya Birla Digital Fashion Ventures Limited)

Imperial Online Services Private Limited (Subsidiary of Aditya Birla Digital Fashion Ventures Limited)

Awesomefab Shopping Private Limited (Subsidiary of Aditya Birla Digital Fashion Ventures Limited)

Bewakoof Brands Private Limited (Subsidiary of Aditya Birla Digital Fashion Ventures Limited)

Next Tree Products Private Limited (Subsidiary of Aditya Birla Digital Fashion Ventures Limited)

Styleverse Lifestyle Private Limited (Subsidiary of Aditya Birla Digital Fashion Ventures Limited)

Jaypore Fashions Inc (Wholly-owned subsidiary)

Goodview Fashion Private Limited- with effect from July 11, 2024

Tarun Tahiliani Fashions Trading L.L.C S.O.C (A wholly-owned subsidiary of Goodview Fashion Private Limited)

TCNS Clothing Company Ltd upto August 31, 2024 (Amalgamated with the Company with effect from September 01, 2024)

Aditya Birla Lifestyle Brands Limited (till March 26, 2025)

Parties under common control

Aditya Birla Lifestyle Brands Limited (with effect from March 27, 2025)

Aditya Birla Garments Limited (with effect from March 27, 2025)

Joint Venture

Goodview Fashion Private Limited upto July 10, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Associate

Wrogn Private Limited with effect from October 16, 2024

Other related parties in which directors are interested

Aditya Birla Fashion and Retail Jan Kalyan Trust

Vyas Giannetti Creative Private Limited

Aditya Birla Management Corporation Private Limited

CLI Footwear and Accessories Private Limited

KA Hospitality Private Limited (KA)

Birla Cosmetics Private Ltd

Post-employment benefit plans

Aditya Birla Fashion and Retail Limited - Employees Group Superannuation Scheme Trust

Aditya Birla Fashion and Retail Limited - Employees Group Gratuity Fund Trust

Key Management Personnel ("KMP")

Mr. Kumar Mangalam Birla - Chairman and Non-Executive Director

Mr. Ashish Dikshit - Managing Director

Mr. Vishak Kumar - Whole-time Director upto April 30, 2025

Ms. Sangeeta Tanwani - Whole-time Director

Mr. Nish Bhutani - Independent Director

Ms. Preeti Vyas - Independent Director

Mr. Sunirmal Talukdar - Independent Director

Ms. Sukanya Kripalu - Independent Director upto October 12, 2024

Mr. Yogesh Chaudhary - Independent Director

Mr. Arun Kumar Adhikari - Independent Director

Mr. Vikram Dondu Rao - Independent Director upto September 9, 2025

Mr. Venkatesh Mysore - Independent Director

Mr. Pankaj Sood - Non-Executive Nominee Director upto April 2, 2026

Ms. Ananyashree Birla - Non-Executive Director

Mr. Aryaman Birla - Non-Executive Director

Mr. Jagdish Bajaj - Chief Financial Officer

Mr. Anil Malik - Company Secretary upto November 30, 2025

Mr. Rajeev Agrawal - Company Secretary with effect from December 1, 2025

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Year ended March 31, 2026			Year ended March 31, 2025		
	Subsidiaries, Joint Venture and Associate	**KMP and Relative of KMP**	**Other related parties**	**Subsidiaries, Joint Venture and Associate**	**KMP and Relative of KMP**	**Other related parties**
Sale of goods	**0.21**	**-**	**1.45**	48.02	-	1.28
Interest income	**31.04**	**-**	**-**	24.61	-	-
Reimbursement of expenses recovered from	**44.60**	**-**	**165.58**	40.17	-	-
Commission on sale of goods	**0.05**	**-**	**0.04**	-	-	-
Back office services	**-**	**-**	**0.62**	-	-	-
Purchase of goods	**21.93**	**-**	**234.06**	112.58	-	-
Reimbursement of expenses paid to	**-**	**-**	**89.59**	-	-	58.07
Consultancy services	**-**	**-**	**0.02**	-	-	0.03
Production services provided	**-**	**-**	**-**	11.21	-	-
Contribution to post employment benfit plans	**-**	**-**	**3.28**	-	-	1.14
Contribution towards Corporate Social Responsibility	**-**	**-**	**2.77**	-	-	4.04
Purchase of property plant and equipment	**-**	**-**	**-**	0.07	-	-
Advertisment income	**0.08**	**-**	**-**	-	-	-
Inter Corporate Deposits provided	**281.11**	**-**	**-**	258.91	-	-
Repayment of Inter Corporate Deposits	**28.20**	**-**	**-**	300.00	-	-
Transfer of liabilities for Post-employment benefits	**0.25**	**-**	**0.21**	2.38	-	-
Investment in subsidiaries	**67.50**	**-**	**-**	505.06	-	-
Remuneration paid to KMP*	**-**	**27.42**	**-**	-	38.01	-

* Includes payments to director towards sitting fees

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Balances outstanding

₹ in Crore

	As at March 31, 2026			As at March 31, 2025		
	Subsidiaries, Joint Venture and Associate	**KMP and Relative of KMP**	**Other related parties**	**Subsidiaries, Joint Venture and Associate**	**KMP and Relative of KMP**	**Other related parties**
Amounts owed to related parties	**13.59**	**-**	**122.21**	9.56	-	151.27
Amounts owed by related parties	**7.46**	**-**	**95.41**	16.91	-	6.15
Deposits/ Loans receivable	**467.75**	**-**	**5.64**	214.84	-	5.64

The above amounts are classified as security deposit receivable, loans receivables, inter corporate deposit receivable, trade receivables and trade payables (Refer Notes - 8, 13, 15, 18 and 27a respectively).

No amounts in respect of the related parties have been written off/ back during the year.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. Deposits to wholly-owned subsidiaries are unsecured, interest bearing and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of Key Managerial Personnel (KMP) of the Company

₹ in Crore

	Year ended March 31, 2026	**Year ended March 31, 2025**
Short-term employee benefits	**18.96**	25.82
Post-employment benefits	**1.90**	3.75
Share-based payment	**6.56**	8.44
Total	**27.42**	**38.01**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key managerial personnel.

NOTE 47 : FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

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

As at March 31, 2026

₹ in Crore

	FVTPL	**FVTOCI**	**Amortised cost***	**Total carrying value**	**Fair value**		
					Level 1	**Level 2**	**Level 3**
Financial assets							
Investments (Refer Notes - 6b and 6c)	**695.74**	**31.80**	**-**	**727.54**	**695.74**	**-**	**31.80**
Loans (Refer Notes - 7 and 13)	**-**	**-**	**469.53**	**469.53**	**-**	**-**	**-**
Security deposits (Refer Notes - 8 and 14)	**-**	**-**	**396.58**	**396.58**	**-**	**-**	**-**
Trade receivables (Refer Note - 15)	**-**	**-**	**166.55**	**166.55**	**-**	**-**	**-**
Cash and cash equivalents (Refer Note - 16)	**-**	**-**	**47.96**	**47.96**	**-**	**-**	**-**
Bank balance other than the cash and cash equivalents (Refer Note - 17)	**-**	**-**	**400.42**	**400.42**	**-**	**-**	**-**
Other financial assets (Refer Notes - 9 and 18)	**-**	**-**	**83.74**	**83.74**	**-**	**-**	**-**
Call Option (Refer Note - 9)	**240.79**	**-**	**-**	**240.79**	**-**	**-**	**240.79**
Total	**936.53**	**31.80**	**1,564.78**	**2,533.11**	**695.74**	**-**	**272.59**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	**-**	**-**	**745.44**	**745.44**	**-**	**-**	**-**
Current borrowings (Refer Note - 26)	**-**	**-**	**2.61**	**2.61**	**-**	**-**	**-**
Deposits	**-**	**-**	**18.00**	**18.00**	**-**	**-**	**-**
Trade payables (Refer Note - 27a)	**-**	**-**	**1,849.21**	**1,849.21**	**-**	**-**	**-**
Supplier's credit (Refer Note - 27b)	**-**	**-**	**131.73**	**131.73**	**-**	**-**	**-**
Other financial liabilities (Refer Notes - 23 and 28)	**-**	**-**	**219.84**	**219.84**	**-**	**-**	**-**
Derivative contracts (Refer Note - 28)	**0.21**	**-**	**-**	**0.21**	**-**	**0.21**	**-**
Put Options (Refer Note - 23)	**270.91**	**-**	**-**	**270.91**	**-**	**-**	**270.91**
Total	**271.12**	**-**	**2,966.83**	**3,237.95**	**-**	**0.21**	**270.91**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b and 6c)	1,438.79	24.36	-	1,463.15	1,438.79	-	24.36
Loans (Refer Notes - 7 and 13)	-	-	216.48	216.48	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	353.71	353.71	-	-	-
Trade receivables (Refer Note - 15)	-	-	148.48	148.48	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	733.70	733.70	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.28	0.28	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	83.59	83.59	-	-	-
Call Option (Refer Note - 9)	215.16	-	-	215.16	-	-	**215.16**
Total	**1,653.95**	**24.36**	**1,536.24**	**3,214.55**	**1,438.79**	**-**	**239.52**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	744.08	744.08	-	-	-
Current borrowings (Refer Note - 26)	-	-	13.88	13.88	-	-	-
Deposits	-	-	17.92	17.92	-	-	-
Trade payables (Refer Note - 27a)	-	-	1,729.42	1,729.42	-	-	-
Supplier's credit (Refer Note - 27b)	-	-	109.50	109.50	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	196.86	196.86	-	-	-
Derivative contracts (Refer Note - 28)	0.03	-	-	0.03	-	0.03	-
Put Options (Refer Note - 23)	239.43	-	-	239.43	-	-	239.43
Total	**239.46**	**-**	**2,811.66**	**3,051.12**	**-**	**0.03**	**239.43**

* Carrying value of financial instruments measured at amortised cost equals to the fair value on account of the short-term nature. In respect of non-current borrowings, non-current financial liabilities and non-current financial assets, management has determined that the difference between the fair value at year end and their carrying amount is not materially different.

The investments made in subsidiaries and joint venture as at March 31, 2026 is ₹ 2,367.29 Crore (March 31, 2025: ₹ 2,302.36 Crore) and are measured at cost.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) Forward contracts: Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company (level 2)

b) Derivative Instruments:

i) Option contracts: Fair value of option contracts is determined basis valuation performed by independent valuer appointed by the Company (level 3)

c) Investment:

i) Unquoted equity instruments: Fair value has been determined by using the valuation techniques to arrive at the fair value (level 3)

ii) Quoted investments: Fair value has been determined based on quoted price of the investment i.e. fair value (level 1)

Valuation inputs and relationships to fair value

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used (refer above notes for valuation technique adopted):

Financial instruments measured at fair value

₹ in Crore

Particulars	Fair Value as at March 31, 2026	Significant unobservable inputs	Fair Value as at March 31, 2026		Sensitivity
			Increase by 0.50%	Decrease by 0.50%	
Call Option	**240.79**	Risk adjusted discount rate	247.04	231.97	Increase in discount rate by 0.50% would increase the fair value by ₹ 6.25 Crore and decrease in discount rate by 0.50% would decrease the fair value by ₹ 8.82 Crore
		EBITDA margin projection	232.25	246.97	Increase in margin by 0.50% would decrease the fair value by ₹ 8.54 Crore and decrease in margin by 0.50% would increase the fair value by ₹ 6.18 Crore
		Revenue projection	239.29	241.98	Increase in revenue by 0.50% would decrease the fair value by ₹ 1.5 Crore and decrease in revenue by 0.50% would increase the fair value by ₹ 1.19 Crore

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

Particulars	Fair Value as at March 31, 2026	Significant unobservable inputs	Fair Value as at March 31, 2026		Sensitivity
			Increase by 0.50%	Decrease by 0.50%	
Put Option	**270.91**	Risk adjusted discount rate	256.89	285.39	Increase in discount rate by 0.50% would decrease the fair value by ₹ 14.02 Crore and decrease in discount rate by 0.50% would increase the fair value by ₹ 14.48 Crore
		EBITDA margin projection	284.06	257.87	Increase in margin by 0.50% would increase the fair value by ₹ 13.15 Crore and decrease in margin by 0.50% would decrease the fair value by ₹ 13.04 Crore
		Revenue projection	273.19	267.14	Increase in revenue by 0.50% would increase the fair value by ₹ 2.28 Crore and decrease in revenue by 0.50% would decrease the fair value by ₹ 3.77 Crore

₹ in Crore

Particulars	Fair Value as at March 31, 2025	Significant unobservable inputs	Fair Value as at March 31, 2025		Sensitivity
			Increase by 0.50%	Decrease by 0.50%	
Call Option	215.16	Risk adjusted discount rate	218.00	202.44	Increase in discount rate by 0.50% would increase the fair value by ₹ 2.84 Crore and decrease in discount rate by 0.50% would decrease the fair value by ₹ 12.72 Crore
		EBITDA margin projection	207.72	219.10	Increase in margin by 0.50% would decrease the fair value by ₹ 7.44 Crore and decrease in margin by 0.50% would increase the fair value by ₹ 3.94 Crore
		Revenue projection	211.06	217.12	Increase in revenue by 0.50% would decrease the fair value by ₹ 4.1 Crore and decrease in revenue by 0.50% would increase the fair value by ₹ 1.96 Crore
Put Option	239.43	Risk adjusted discount rate	226.37	252.07	Increase in discount rate by 0.50% would decrease the fair value by ₹ 13.03 Crore and decrease in discount rate by 0.50% would increase the fair value by ₹ 12.67 Crore
		EBITDA margin projection	250.86	227.86	Increase in margin by 0.50% would increase the fair value by ₹ 11.46 Crore and decrease in margin by 0.50% would decrease the fair value by ₹ 11.54 Crore
		Revenue projection	240.64	236.81	Increase in revenue by 0.50% would increase the fair value by ₹ 1.24 Crore and decrease in revenue by 0.50% would decrease the fair value by ₹ 2.59 Crore

B. Risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) 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 the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company has invested in term deposits with banks at fixed interest rates and has invested in Money Market and Overnight Mutual Funds Scheme where risk of fluctuatuions in interest rates are considered minimal.

As at March 31, 2026, approximately 100% of the Company's borrowings are at a fixed rate of interest (March 31, 2025: 98%).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Interest Rate (%)	**(+/-) 0.50%**	(+/-) 0.50%
Increase/ decrease in Profit/ loss before tax	**0.01**	0.07
Increase/ decrease in Profit/ loss after tax	**0.01**	0.05

The assumed movement in rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in a currency other than INR. INR is the functional currency of the Company.

The Company manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2026, the Company has hedged Nil (March 31, 2025: Nil) of its receivables in foreign currency and 91% (March 31, 2025: 110%) of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the Balance Sheet date:

As at March 31, 2026	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy(Hedge of payables)	**USD**	**0.82**	**76.75**

As at March 31, 2025	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy(Hedge of payables)	USD	0.39	33.41

The details of unhedged foreign currency exposure as at the Standalone Balance Sheet date are as follows:

As at March 31, 2026	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	**EURO**	**0.44**	**47.48**
	GBP	**0.10**	**12.27**
	HKD	**0.01**	**0.14**
	AED	**0.04**	**0.91**
	JPY	**0.21**	**0.13**
	NZD	**0.00**	**0.19**
Trade receivables	**GBP**	**0.00**	**0.24**
	EURO	**0.01**	**0.56**

As at March 31, 2025	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.03	3.08
	GBP	0.04	3.71
	HKD	0.02	1.65
Trade receivables	EURO	0.00	0.27

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Company's Profit/ loss before tax is due to changes in the foreign currency rate is as below. The Company's exposure to foreign currency changes for all other currencies is not material.

	As at March 31, 2026	As at March 31, 2025
Basis points (%)	**(+/-) 0.50%**	(+/-) 0.50%
Increase/ decrease in Profit/ loss before tax	**(0.30)**	(0.04)
Increase/ decrease in Profit/ loss after tax	**(0.23)**	(0.03)

iii) Price Risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company only deals with parties which has good credit rating given by external rating agencies or based on the Company's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Standalone Statement of Profit and Loss.

The Company is exposed to credit risk from its operating and investing activities (primarily trade receivables, security deposits, deposits with banks and investments in mutual funds).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2026, the Company has 6 customers (March 31, 2025: 8 customers) that owed the Company more than ₹ 5.00 Crore each and account for approximately 42% (March 31, 2025: 37%) of all the receivables outstanding. There are 53 customers (March 31, 2025: 55 customers) with balances greater than ₹ 0.50 Crore each and account for approximately 44% (March 31, 2025: 52%) of the total amounts receivable.

An impairment analysis is performed at each reporting date. Analysis considers historical data and reasonable supportable infomation of current conclusions and forecast of future economic conditions.

The Company's maximum exposure to credit risk for the components of the Standalone Balance Sheet as at March 31, 2026 and March 31, 2025, is the carrying amount as provided in Note - 15.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

c) Liquidity risk

i) The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 0.3% of the Company's debt will mature in less than one year (March 31, 2025: 2%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to various sources of funding.

ii) As disclosed in note 27b, the Company has entered into supplier financing arrangements. The Company has no significant concentration of liquidity risk with on acccount of supplier financing arrangements.

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

As at March 31, 2026

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (other than preference shares)	**59.38**	**920.34**	**-**	**979.72**
Cumulative redeemable preference shares	**-**	**0.56**	**-**	**0.56**
Lease liabilities	**982.12**	**2,485.39**	**448.31**	**3,915.83**
Other financial liabilities	**188.67**	**292.79**	**23.34**	**504.80**
Deposits	**5.45**	**12.55**	**-**	**18.00**
Trade payables	**1,849.21**	**-**	**-**	**1,849.21**
Supplier's credit	**134.61**	**-**	**-**	**134.61**
Total	**3,219.44**	**3,711.63**	**471.65**	**7,402.73**

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (other than preference shares)	101.87	687.49	258.50	1,047.86
Cumulative redeemable preference shares	-	0.56	-	0.56
Lease liabilities	731.97	1,788.22	164.77	2,684.96
Other financial liabilities	138.05	262.29	21.11	421.45
Deposits	4.03	13.88	-	17.91
Trade payables	1,729.42	-	-	1,729.42
Supplier's credit	111.90	-	-	111.90
Total	**2,817.24**	**2,752.44**	**444.38**	**6,014.06**

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

NOTE 48 : CAPITAL MANAGEMENT

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	**2.61**	13.88
Long-term debts	**745.45**	744.08
Total borrowings	**748.06**	**757.96**
Equity	**7,968.13**	8,297.86

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

NOTE 49 : ACQUISTION OF WROGN BUSINESS BY ADITYA BIRLA DIGITAL FASHION VENTURES LIMITED ('ABDFVL') (WHOLLY OWNED SUBSIDIARY)

Aditya Birla Digital Fashion Ventures Limited ('ABDFVL') (wholly owned subsidiary of the Company) executed a binding offer letter with Wrogn on June 18, 2024, for minority investment with an option for a path to majority stake acquisition. As of March 31, 2026, ABDFVL held 35.36% stake on a fully diluted basis in Wrogn aggregating to ₹ 190.50 crores (March 31, 2025: 32.84%).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 50 : ACQUISITION OF GOODVIEW FASHION PRIVATE LIMITED ["GFPL"]

The Company acquired controlling interest in GFPL on July 11, 2024 and consequently GFPL become a subsidiary with effect from July 11, 2024.

In accordance with the Shareholders Agreement, the Company has simulatenous put and call option (the Company holds the call options and has written the put options), whereby, after the expiry of 10 years and upto 15 years from the date of initial acquisition, in certain specified time periods, the Company can acquire, if it exercises the call options it holds, and will also be required to acquire, if Promoter exercises the put options the Company has written, all or such number of equity shares so as to increase its shareholding to 100%. The excercise price of put and call option is equal to the fair value of the investments on the date of excercise.

NOTE 51 : DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board of Directors of the Company at their meeting held on April 19, 2024, subject to the necessary approvals, considered and approved demerger of Madura Lifestyle Fashion Business ("MFL Business") under a Scheme of Arrangement amongst the Company and Aditya Birla Lifestyle Brands Limited ("Resulting Company"), wholly owned subsidiary of the Company and their respective shareholders and creditors ("Demerger Scheme").The Demerger Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench (Hon'ble NCLT) on March 27, 2025. The Company received the certified true copy of the order on April 22, 2025. Consequent upon filling of the certified copies of Hon'ble NCLT orders by the Company and the Resulting company with the respective jurisdictional Registrar of Companies on April 23, 2025, the Scheme has become effective from May 1, 2025. Upon the Scheme becoming effective, the MFL Business was transferred to the Resulting Company on a going concern basis.

The demerger was recognized in the standalone financial statements during the quarter ended March 31, 2025 in accordance with the accounting treatment specified in the sanctioned Scheme as a common control transaction and the assets and liabilities were transferred to Resulting Company at their respective book values.

a. Details of assets and liabilities which have been transferred pursuant to Scheme of Arrangement are as follows:

Particulars	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	543.38
Capital work-in-progress	11.69
Goodwill	627.67
Other intangible assets	502.39
Right to use assets	1,621.92
Financial assets	
(i) Investment in equity of a subsidiary	35.00
(ii) Loans	0.48
(iii) Security deposits	176.51
(iv) Other financial assets	203.74
Deferred tax assets (net)	91.10
Non-current tax assets (net)	14.68
Other non-current assets	53.75
Total - Non-current assets	**3,882.31**
Current assets	
Inventories	2,107.53
Financial assets	
(i) Current Investments	117.18
(ii) Loans	5.74
(iii) Security deposits	100.13
(iv) Trade receivables	1,325.48
(v) Cash and cash equivalents	52.97
(vi) Bank balance other than Cash and cash equivalents	0.07
(vii) Other financial assets	76.06
Other current assets	616.65
Total - Current assets	**4,401.82**
TOTAL - ASSETS - (A)	**8,284.13**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	1.04
(ii) Deposits	274.30
(iii) Lease liability	1,516.88
(iv) Other financial liabilities	518.08
Provisions	22.20
Other non-current liabilities	19.53
Total - Non-current liabilities	**2,352.03**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	₹ in Crore
Current liabilities	
Financial liabilities	
(i) Borrowings	850.18
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,029.41
(iii) Deposits	250.55
(iv) Lease liability	463.38
Other financial liabilities	140.17
Provisions	140.83
Other current liabilities	567.35
Total - Current liabilities	**4,530.72**
Total - Liabilities - (B)	**6,882.75**
Net Assets - C (A - B)	**1,401.38**

Net cash flows attributable to the MFL business during the year ended March 31, 2025 is as follows:	**₹ in Crore**
	March 31, 2025
Net cash inflows from operating activities	1,133.22
Net cash inflows from investing activities	49.21
Net cash used in financing activities	(1,261.65)
Net increase/ (decrease) in cash and cash equivalents	**(79.22)**

b. Breakup for the amount of 'Net profit/(loss) after tax for the year from discontinued operations' has been presented in the Statement of Profit and Loss.

c. Pursuant to the Scheme, the difference between the book value of the assets and liabilities transferred to Resulting Company has been debited to the following reserves of the Company:

Particulars	₹ in Crore
Employee Stock options reserve	(41.49)
Retained earnings	(1,359.89)
Total	**(1,401.38)**

NOTE 52 : AMALGAMATION OF JAYPORE E-COMMERCE PRIVATE LIMITED AND TG APPAREL & DECOR PRIVATE LIMITED WITH THE COMPANY

The Board of the Company at its meeting held on February 5, 2026 approved the amalgamation of Jaypore E-commerce Private Limited and TG Apparel & Decor Private Limited, wholly owned subsidiaries ("Transferor Companies"), with the Company. The said amalgamation is subject to necessary statutory and regulatory approvals under applicable laws, including approval of the Hon'ble National Company Law Tribunal, Mumbai. The Company and the Transferor Companies have filed Joint Company Application on February 25, 2026, with Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") and has received the NCLT order on April 6, 2026. Post completion of the direction of NCLT order, the Company and Transferor Companies have filed the joint petition with NCLT on April 16, 2026 and the petition is fixed for hearing on June 5, 2026.

NOTE 53 : RATIO DISCLOSURES

	As at March 31, 2026	As at March 31, 2025	% Change	Reasons for variance more than 25%
Current ratio (times)[1]	**1.89**	2.19	-13.55%	Not applicable
Debt equity ratio (times)[2]	**NA***	NA*	-	Not applicable
Debt service coverage ratio (times)[3]	**(5.41)**	0.08	-6858%	Change in ratio due to higher debt repayments in the previous year. Also the Company's EBIT decreased in the current year due to higher losses.
Return On Equity (%)[4]	**-4.32%**	-1.83%	-136.07%	Change in ratio due to increase in losses in the current year due to demerger of Madura Fashion and Lifestyle undertaking during the previous year.
Inventory turnover (times)[5]	**3.19**	4.62	-31.06%	Change in ratio mainly due to demerger of Madura Fashion and Lifestyle undertaking during the previous year which had a higher inventory turnover.
Debtors turnover (times)[6]	**37.50**	22.63	65.69%	Change in ratio mainly due to demerger of Madura Fashion and Lifestyle undertaking during the previous year which had a lower debtor turnover. Also the existing business of the Company majorly comprise of cash and carry model.
Trade Payables turnover (times)[7]	**1.55**	2.13	-27.23%	Change in ratio mainly due to decrease in average trade payable as compared to previous year due to demerger of Madura Fashion and Lifestyle undertaking.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

	As at March 31, 2026	As at March 31, 2025	% Change	Reasons for variance more than 25%
Net capital turnover (times)[8]	**2.43**	5.13	-52.60%	Change in ratio mainly due to decrease in revenue from operations as compared to previous year due to demerger of Madura Fashion and Lifestyle undertaking.
Net profit margin (%)[9]	**-5.95%**	-0.96%	-519.93%	Change in ratio due to increase in losses in the current year due to demerger of Madura Fashion and Lifestyle undertaking during the previous year.
Return On Average Capital Employed (%)[10]	**-0.81%**	5.80%	-113.97%	Change in ratio due to decrease in EBIT in the current year due to demerger of Madura Fashion and Lifestyle undertaking during the previous year.
Return On Investment (%)[11]	**-0.66%**	4.31%	-115.31%	Change in ratio due to decrease in EBIT in the current year due to demerger of Madura Fashion and Lifestyle undertaking during the previous year.

*Company has excess Liquid investment and cash over its debt.

**For the purpose of calculating ratios for the periods upto March 31, 2025, all relevant amounts pertaining to continuing and discontinued operations have been considered.

Ratios have been computed as follows:

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity
   Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments
   Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables
7. Trade payables turnover = Total Purchases / Average of opening and closing Trade Payables
8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings before interest and tax / Average of opening and closing Capital Employed
11. Return on Investment = Earnings before interest and tax / Average of opening and closing Total Assets

* Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

NOTE 54 : SEGMENT INFORMATION

In accordance with Ind AS 108 - Operating segments, segment information has been provided in the Consolidated Financial Statements of the Company and therefore no separate disclosure on segment information is given in these Standalone Financial Statements.

Note 55 : Summary of other accounting policies

(a) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Segment assets and liabilities include all operating assets and liabilities. Segment results include all related income and expenditure. Corporate (unallocated) represents assets, liabilities, income and expenses which relate to the Company as a whole and are not allocated to the segments.

Inter-segment transfers

The Company generally accounts for inter-segment sales at arm's length basis in a manner similar to transactions with third parties.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income, expense and other common assets and liabilities which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(b) Fair value measurements and hierarchy

The Company measures financial instruments, such as investments (other than equity investments in subsidiaries and associate) and derivatives at fair value at each Standalone 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:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(a) In the principal market for the asset or liability; or

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their 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 Company uses valuation techniques that are appropriate in the circumstances, and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on its nature, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- 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 on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(c) Foreign currencies

Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/other expenses, as appropriate

(d) Government grants

Government grants are recognised where there is a 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 relates to an asset, it is recognised as income in Statement of Profit and Loss in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, at a below-market rate of interest, the effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognised and measured at fair value, and the government grant is measured as the difference between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur in the Standalone Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(f) Taxes

Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 in India.

The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised 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 when the deferred tax liability arises from the initial recognition of goodwill or an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

Tax benefits acquired as a part of business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information is received or circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition, if they result from new information obtained about facts and circumstances existing at the acquisition date.

The Company had adopted the new tax regime in the Financial Year 2019-20 under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Standalone Statement of Profit and Loss are recognised outside the Standalone Statement of Profit and Loss (either in OCI or in equity). Current tax and deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(g) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes borrowing costs for long-term construction projects, if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Standalone Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss within other gains/ losses.

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

(h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Standalone Statement of Profit and Loss, in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite life 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 changes if any, are made on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the Standalone Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss when the asset is de-recognised.

(i) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Standalone statement of profit and loss as incurred.

At the acquisition date, the identiûable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee beneût arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classiûed as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(j) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal/ external factors. An impairment loss, if any, is charged to the Standalone Statement of Profit and Loss in the year in which an asset is identified as impaired. An asset's recoverable amount is higher of an asset's or cash-generating unit's (CGUs) 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 a pre-tax discount rates, that reflects current market assessment of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. 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, including impairment on inventories, are recognised in the Standalone Statement of Profit and Loss.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually as at reporting date. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Standalone Statement of Profit and Loss.

Reversal of impairment losses except on goodwill is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(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 assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Standalone Statement of Profit and Loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

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

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. 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 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 gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Standalone Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Call options over shares in the acquired subsidiary is initially recognised as a financial asset at fair value, with subsequent changes in fair value recognised in the standalone statement of profit and loss.

(iv) Equity investments

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investment in Subsidiaries and Joint Venture are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries and Joint Venture at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Standalone Balance Sheet.

The Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiaries and joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries and joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries and joint venture and its carrying value, and then recognises the impairment loss in the standalone statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Company 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.

(1) Equity instruments:

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss.

The Put Option and/or Call option on the Non-Controlling Interest ("NCI") of subsidiary is initially measured at the fair value. The subsequent changes in fair value are recognised in the Standalone Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Standalone Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Standalone Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Standalone Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Standalone Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Standalone Statement of Profit and Loss.

<u>De-recognition of financial assets and financial liabilities</u>

The Company de-recognises 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. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition 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 OCI and accumulated in equity is recognised in the Standalone Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Standalone Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Company de-recognises financial liabilities only when the Company's obligations are discharged, cancelled or have expired. An exchange 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 de-recognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

<u>Offsetting financial instruments</u>

Financial assets and liabilities are offset, and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(l) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks and options contract in accordance with agreement. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

(m) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

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

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(n) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (Refer Note – 45).

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Interest Income

Interest income on all debt instruments is measured at amortised cost. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument. Interest income is included in other income in the Standalone Statement of Profit and Loss.

(p) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Company makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Standalone Statement of Profit and Loss, on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The Company operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. A part of the gratuity plan is funded (maintained by an independent insurance company) and another part is unfunded and managed within the Company, hence the liability has been bifurcated into funded and unfunded. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Standalone Statement of Profit and Loss.

(d) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation in the Standalone Statement of Profit and Loss.

The Company presents the entire leave as a current liability in the Standalone Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(q) Share-based payment

Employees of the Company receive remuneration in the form of equity-settled instruments and stock appreciation rights for rendering services over a defined vesting period. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Standalone Statement of Profit and Loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share options outstanding account.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

For cash-settled share-based payment, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability using a binomial method. At the end of each reporting period until the liability is settled and at the date of settlement, the fair value of the liability is re-measured, with any changes in the fair value recognised in 'Employee benefits expense' in the Standalone Statement of Profit and Loss for the year.

The Company has created an "ABFRL Employee Welfare Trust"(ESOP Trust) and uses it as a vehicle for distributing shares to employees under the Employee Stock Option Scheme 2019 or any subsequent Stock Option Scheme. The trust purchase shares of the Company from the market, for issuing shares to employees. The Company treats trust as its extension and shares held by trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the standalone statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued or sold, is recognised in capital reserve. Share options exercised during the reporting period are settled with treasury shares.

(r) Earnings per share

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

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(s) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet and for the purpose of the Standalone Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(t) As a lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

Sub-leases:

When the Company, as a lessee (intermediate lessor), sub-leases an asset to a third party, the head lease and the sub-lease are accounted for as two separate contracts. The sub-lease is classified by reference to the right-of-use asset arising from the head lease, and not by reference to the underlying asset.

If the sub-lease is classified as a finance lease, the Company derecognises the right-of-use asset relating to the head lease that it transfers to the sub-lessee and recognises a net investment in the sub-lease (lease receivable). Any difference between the right-of-use asset derecognised and the net investment in the sub-lease is recognised in the Statement of Profit and Loss. The lease liability under the head lease continues to be retained in the books and is accounted for in accordance with Ind AS 116. Finance income on the net investment in the sub-lease is recognised over the sub-lease term.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

If the sub-lease is classified as an operating lease, the Company retains the right-of-use asset and the lease liability under the head lease in its books. Lease income from the sub-lease is recognised on a straight-line basis over the sub-lease term and is presented separately in the Statement of Profit and Loss.

NOTE 56 : CORE INVESTMENT COMPANIES (CIC)

The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India, However the Group has 3 CICs (registered and unregistered) as part of the Group.

NOTE 57 : ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

The Company has sanctioned limits from banks on the basis of security of current assets, however, such limits have not been utlised. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(v) WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company had accounted for the Scheme of arrangement involving demerger of Madura Fashion and Lifestyle undertaking to Adiya Birla Lifestyle Brands Limited during the previous year (Refer Note - 51). Accouting treatment followed was in accordance with Ind AS requirements. The Company has not entered into any other scheme of arrangement which has an accounting impact in the current year.

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current or previous year. The Company did not have any Investment Property during the current or previous year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No : 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of
Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Fashion and Retail Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Aditya Birla Fashion and Retail Limited (hereinafter referred to as the "Holding Company"), its subsidiaries and a trust controlled by it (Holding Company, its subsidiaries and the trust together referred to as "the Group"), and its associate (refer Note 48 to the consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. 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 ("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 and its associate as at March 31, 2026, and consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of Cash Generating Units (CGUs) which include goodwill and acquired brands (Refer Note 5(a) to the consolidated financial statements) The Group has goodwill of Rs. 2,670.67 crores and acquired brands amounting to Rs. 2,689.27 crores at March 31, 2026. Goodwill and brands were acquired in business combinations recorded in the previous years and allocated to Cash Generating Units (CGUs) identified by the Group. In accordance with Ind AS 36, Impairment of Assets, goodwill acquired in a business combination is required to be tested for impairment annually. Management has performed impairment assessment for each of the CGUs to which goodwill and brands have been allocated by comparing the carrying amount of the assets relating to CGUs, including the goodwill, with the recoverable amount of the CGUs. Recoverable amount is the higher of its value in use and fair value less costs of disposal. Impairment assessment requires significant management judgement and estimates such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates. Given the judgement, subjectivity and sensitivity of key parameters to the changes in economic conditions, the impairment assessment is considered to be a key audit matter.	Our audit procedures included the following: • Understood and evaluated the design and tested operating effectiveness of Holding Company's controls to assess impairment on an annual basis. • Evaluated whether the CGUs were determined and the goodwill and brands were allocated to the CGUs in accordance with requirements of Ind AS 36 and our knowledge of the Group's operations. • Evaluated the appropriateness of the approach selected by the management to determine the recoverable amount of the CGU. • Evaluated the objectivity, competency and independence of the management expert engaged by the Holding Company. • Assessed the reasonableness of the cashflow projections by testing the key management assumptions and estimates used in the impairment analysis and evaluated the consistency of the cashflow projections with the budgets approved by the Management of the Holding Company, Management of the subsidiary companies and Partners of a Limited Liability Partnership (LLP) (accounted as a subsidiary). • Evaluated the sensitivity analysis performed by management on the revenue growth rates and discount rates to determine whether reasonable changes in these key assumptions would result in the carrying amounts of individual CGUs to exceed their recoverable amounts. • Involved auditor's expert to assist in evaluating the impairment methodology used including key assumptions. • Evaluated the adequacy of the disclosures made in the consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Provision for Inventory obsolescence (Refer Note 2.5(c) and 12 to the consolidated financial statements) The Group held inventories of Rs. 2,828.19 crores at March 31, 2026. In accordance with Ind AS 2, Inventories, inventories are carried at lower of cost or net realizable value. The Group operates in a fast-changing fashion market where there is a risk of inventory falling out of fashion and proving difficult to be sold above cost. Management has a policy to recognize provisions for inventory considering assessment of future trends and the Company's past experience related to its ability to liquidate the aged inventory. The provision for inventory obsolescence has been considered as a key audit matter, as determination of provision for inventory involves significant management judgment and estimate.	Our audit procedures included the following: • Understood and evaluated the design and tested the operating effectiveness of the controls to assess the adequacy of provision for inventory obsolescence. • Evaluated the methodology used by the management to determine the provision for inventory obsolescence and determined whether the method is consistent with that applied in the prior year. • Assessed whether the changes in the methodology (if any) are reasonable and consistent with our understanding of the changes in the business. • Tested the ageing report including assessing its completeness and the underlying management judgements and estimates made. Further, tested on a sample basis whether the calculation of provision for obsolescence is in accordance with Group's policy. • Verified appropriate approvals for specific obsolescence provisions and assessed their reasonableness on a sample basis. • Evaluated the adequacy of the disclosures made in the consolidated financial statements.
Impairment evaluation of investment in an associate (Refer Note 6a to the consolidated financial statements) At March 31, 2026, the Group has investment in an associate amounting to Rs. 143.56 crores. The Holding Company evaluates the recoverability of the carrying values of the investment using Discounted Cash Flow (DCF) methodology to determine the value in use, in accordance with Ind AS 36 'Impairment of Assets'. An impairment assessment is performed, and recoverable amounts of the investment is determined if the indicators of impairment are identified. Management has considered the losses suffered by the associate as an indicator for impairment. Management has appointed an independent external valuation expert (management's expert) to perform the impairment assessment.	Our audit procedures included the following: • Understood and evaluated the design and tested the operating effectiveness of the Holding Company's controls to assess impairment of its investment in an associate. • Evaluated the appropriateness of the approach used by the management to determine the recoverable amount. • Evaluated the objectivity, competency and independence of the management expert engaged by the Holding Company. • Evaluated the reasonableness of the cash flow projections by testing the key management assumptions and estimates used in the impairment analysis and assessed the consistency of the cash flow projections with the budgets approved by the Management. • Evaluated the sensitivity analysis performed by the management on the recoverable amount and assessed whether any reasonably foreseeable changes in key assumptions could lead to impairment loss or material change in valuation.

Key audit matter	How our audit addressed the key audit matter
Management has performed impairment assessment by determining the recoverable amount of investment in the associate using the value in use method and comparing the same with the carrying value. Where the carrying value exceeds the recoverable amount, an impairment loss is recognised. Determination of value in use involves use of projected cash flows based on financial budgets approved by the Management. Management has involved external experts to determine the recoverable amounts. Impairment assessment of investment in an associate is considered as a key audit matter as it requires significant management judgement and estimates in addition to consideration of economic and entity specific factors in determination of the recoverable value such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates which are subject to management judgement and subjectivity and might be affected by changes in economic conditions.	• Evaluated the Holding Company's process regarding impairment assessment with the involvement of auditors' valuation expert in assessing the appropriateness of the impairment model including independent assessment of assumptions underlying the cash flow projections, discount rate, long-term growth rate, terminal value, etc. • Obtained the audited Standalone Financial Statements of an associate for the year ended March 31, 2026, and evaluated their financial performance.

5. The following Key Audit Matters were included in the memorandum of work performed dated May 5, 2026 on the fit for consolidation financial statements of Sabyasachi Calcutta LLP, a subsidiary of the Holding Company. The audit report dated May 5, 2026 issued by the independent auditor of Sabyasachi Calcutta LLP, contains an unmodified audit opinion on the fit for consolidated financial statements:

Key audit matter	How the work of the component auditor addressed the key audit matter
Impairment assessment of intangible asset with indefinite life Sabyasachi Calcutta LLP has an intangible asset being 'Brand' amounting to Rs. 623.26 crores as at March 31, 2026, which was recognized in a prior year on reconstitution of the Limited Liability Partnership. Sabyasachi Calcutta LLP's management has engaged independent valuation expert to perform valuation of the Sabyasachi Calcutta LLP including the Brand by using the 'value in use' method in accordance with Ind AS 36, 'Impairment of Assets', for financial reporting purposes.	The audit procedures performed by the independent auditor of the Sabyasachi Calcutta LLP included the following: • Assessed the reasonableness of the cashflow projections by evaluating the key management assumptions and estimates used in the impairment analysis and evaluated the consistency of the cashflow projections with the budgets approved by the Partners of the Sabyasachi Calcutta LLP. • Assessed that the methodology used by Sabyasachi Calcutta LLP's management to estimate the value in use of the Sabyasachi CGU including the Brand is consistent with accounting standards and is in line with the valuation standards applicable in India.

Key audit matter	How the work of the component auditor addressed the key audit matter
Impairment assessment of brand with indefinite useful life is considered as a key audit matter since it requires estimates such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates which are subject to management / independent valuation expert judgement and subjectivity and might be affected by changes in economic conditions.	• Involved valuation experts to assess the methodologies used by the Sabyasachi Calcutta LLP's management and independent valuation experts to determine the value in use of the Sabyasachi CGU including the Brand. • Evaluated the Sabyasachi Calcutta LLP's management's determination that no re-estimation of the useful life of the Brand is considered necessary at the year end. • Evaluated the adequacy of the disclosures made in the financial information.
Provision for inventory obsolescence The Sabyasachi Calcutta LLP held inventories of Rs.305.99 crores as at March 31, 2026. In accordance with Ind AS 2, 'Inventories', inventories are carried at lower of cost or net realizable value. Sabyasachi Calcutta LLP operates in a fast-changing fashion market where there is a risk of inventory (mainly apparels and accessories segment) falling out of fashion and proving difficult to be sold taking into consideration the fact that the brand does not sell its products at a discount. Management has a policy to recognize provisions for inventory considering assessment of future trends and the Sabyasachi Calcutta LLP's past experience related to its ability to liquidate the aged inventory. The provision for inventory obsolescence has been considered as a key audit matter, as determination of provision for inventory involves significant management judgment and estimates.	The audit procedures performed by the independent auditor of the Sabyasachi Calcutta LLP included the following: • Understood and evaluated the design and tested the operating effectiveness of Sabyasachi Calcutta LLP's controls to assess the adequacy of provision for inventory obsolescence. • Evaluated the methodology used by the management to determine the provision for inventory obsolescence and determined whether the method is consistent with that applied in the prior year. • Assessed whether the changes in the methodology (if any) are reasonable and consistent with our understanding of the changes in the business. • Evaluated the ageing report/ workings shared by the Sabyasachi Calcutta LLP including assessing its completeness and the underlying management judgements and estimates made. Further, assessed on a sample basis whether the calculation of provision for obsolescence is in accordance with Sabyasachi Calcutta LLP's policy. • Verified appropriate approvals for specific obsolescence provisions and assessed their reasonableness on a sample basis. • Evaluated the adequacy of the disclosures made in the financial information.

Other Information

6. 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 financial statements and our auditor's reports thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

7. 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 and consolidated cash flows, and changes in equity of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group, its associate, partners of a LLP and trustees of a Trust included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate, 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 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.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies, its associate, partners of a LLP and trustees of a Trust included in the Group are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors, partners of a LLP and trustees of a Trust either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and its associate, partners of a LLP and trustees of a Trust are responsible for overseeing the financial reporting process of the respective companies and a trust.

Auditor's Responsibilities for the audit of the consolidated financial statements

10. 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.

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

    a) 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.

    b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

    c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    d) 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 and its associate 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 and its associate to cease to continue as a going concern.

    e) 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.

    f) Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group and its associate 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.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The financial statements/ financial information of 9 subsidiaries reflect total assets of Rs.1,979.64 crores and net assets of Rs.1,071.76 crores as at March 31, 2026, total revenue of Rs.1,159.15 crores, total comprehensive income (comprising of loss and other comprehensive income) of Rs.(15.91 crores) and net cash outflows amounting to Rs.(10.87 crores) for the year ended on that date, has been considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs.(29.35 crores) for the year ended March 31, 2026 as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. The financial statements of these subsidiaries and associate have been audited by other auditors whose reports have been furnished to us by the other auditors, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, and associate, is based on the reports of the other auditors and the procedures performed by us.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraph 3(xxi) of CARO 2020.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept by the Group and its associate company so far as it appears from our examination of those books, except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of certain books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the year.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and its associate incorporated in India, none of the directors of the Group companies and its associate 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 maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 17(b) above and paragraph 17(h)(vi) below.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiaries and its associate incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(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 the consolidated financial position of the Group and its associate (Refer Note 45 to the consolidated financial statements).

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and its associate incorporated in India during the year ended March 31, 2026.

iv. (a) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, as disclosed in Note 54(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate 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 Holding Company or any of such subsidiaries and associate ("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 subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, as disclosed in the Note 54(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries and associate 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 subsidiaries and associate shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company, its subsidiaries and associate incorporated in India, have not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries and an associate, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Group and its associate have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of performing our procedures, other than the below mentioned instances where audit trail was not maintained and where the question of our commenting does not arise, we and the respective auditors of the above referred subsidiaries and associate, did not notice any instance of the audit trail feature being tampered with:

a) In respect of 3 subsidiary companies (including 2 step-down subsidiary companies) and an associate incorporated in India, the feature of recording audit trail (edit log) facility was not available. Further, the audit trail was not maintained in the prior year and hence the question of our commenting on whether the audit trail was preserved by the subsidiary companies and the associate as per the statutory requirements for record retention does not arise.

b) In respect of the Holding company, 1 subsidiary company and an associate incorporated in India, accounting software has the feature of recording audit trail (edit log) facility, except for modifications, if any, made by certain users with specific access at the application level and for direct database changes. Accordingly, other than aforesaid instances of audit trial not maintained where the question of our commenting does not arise, we did not notice any instance of audit trial feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Holding Company and the subsidiary company and an associate, as per the statutory requirements for record retention.

c) In respect of the Holding company and 5 subsidiary companies (including a step-down subsidiary) and an associate incorporated in India, certain accounting software are maintained by third party service providers and due to absence of or insufficient information in the service auditors' reports related to audit trail, we are unable to comment whether the audit trail feature of the aforesaid software were enabled and

operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with. Further, the audit trail was not maintained in the prior year and hence the question of our commenting on whether the audit trail was preserved by the Holding Company and such subsidiary companies and an associate as per the statutory requirements for record retention does not arise.

d) In respect of 2 subsidiary companies (including a step-down subsidiary) incorporated in India, in the absence of SOC 1 Type 2 reports for certain accounting software of third party service providers used for maintaining records, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with. Further, the audit trail was not maintained in the prior year and hence the question of our commenting on whether the audit trail was preserved by the subsidiary companies as per the statutory requirements for record retention does not arise.

e) A step-down subsidiary company incorporated in India, has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated for part of the year from August 1, 2025 to March 31, 2026 for all relevant transactions recorded in the software. To the extent of audit trail maintained during the year, auditor of the subsidiary did not notice any instance of the audit trail feature being tampered with. Further, the audit trail was not maintained in the prior year and hence the question of commenting on whether the audit trail was preserved by the subsidiary company as per the statutory requirements for record retention does not arise.

18. The Holding company, its subsidiaries and associate incorporated in India have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

A.J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637CPXWCZ9158
Place: Mumbai
Date: May 25, 2026

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 17(g) of the Independent Auditor's Report of even date to the members of Aditya Birla Fashion and Retail Limited on the consolidated financial statements as of and for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to consolidated financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to financial statements of Aditya Birla Fashion and Retail Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries and its associate, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, 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 company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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

3. Our responsibility is to express an opinion on the company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiaries and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 5 subsidiaries and one associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

A.J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637CPXWCZ9158
Place: Mumbai
Date: May 25, 2026

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 16 of the Independent Auditors' Report of even date to the members of Aditya Birla Fashion and Retail Limited on the consolidated financial statements as of and for the year ended March 31, 2026

We report that the following qualifications or adverse remarks were included in the CARO 2020 report issued by us in respect of the standalone financial statements of the Holding Company and by the other auditors in their CARO 2020 reports on the financial statements of the respective companies included in the consolidated financial statements:

Sl No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors, report	Paragraph number and comment in the respective CARO report reproduced below
1	Aditya Birla Fashion and Retail Limited	L18101MH2007PLC233901	Holding Company	May 25, 2026	i(c), xi(a) and xi(b)
2	Indivinity Clothing Retail Private Limited	U18109HR2021PTC093323	Subsidiary	May 05, 2026	ix(d)
3	Wrogn Private Limited	U92412KA2012PTC103560	Associate	May 14, 2026	xiv (b)
4	Jaypore E-commerce Private Limited	U51900MH2012PTC422224	Subsidiary	May 06, 2026	ix(d)
5	TG Apparel & Décor Private Limited	U51109DL2015PTC288706	Subsidiary	May 07, 2026	xix
6	Finesse International Design Private Limited	U74900DL2007PTC164203	Subsidiary	May 05, 2026	iii(c), ix(a) and ix(d)

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

A.J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637CPXWCZ9158
Place: Mumbai
Date: May 25, 2026

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

₹ in Crore

		Notes	As at March 31, 2026	As at March 31, 2025
ASSETS				
I	**Non-current assets**			
(a)	Property, plant and equipment	3a	**1,112.30**	836.01
(b)	Capital work-in-progress	3b	**87.89**	181.01
(c)	Right-of-use assets	4a	**3,812.56**	2,991.88
(d)	Investment property	4c	**3.56**	3.61
(e)	Goodwill	5a	**2,670.67**	2,670.67
(f)	Other intangible assets	5a	**2,777.60**	2,915.20
(g)	Intangible assets under development	5b	**9.85**	0.21
(h)	Financial assets			
(i)	Investment in Associate	6a	**143.56**	130.52
(ii)	Other investments	6b	**31.80**	24.37
(iii)	Loans	7	**0.02**	0.01
(iv)	Security deposits	8	**391.67**	336.76
(v)	Other financial assets	9	**197.25**	127.72
(i)	Deferred tax assets	10	**362.43**	245.53
(j)	Non-current tax assets (net)		**46.89**	19.04
(k)	Other non-current assets	11	**207.80**	96.00
	Total - Non-current assets		**11,855.83**	**10,578.54**
II	**Current assets**			
(a)	Inventories	12	**2,828.19**	2,454.39
(b)	Financial assets			
(i)	Current investments	13	**1,064.97**	1,594.21
(ii)	Loans	14	**3.93**	3.20
(iii)	Security deposits	15	**99.13**	89.44
(iv)	Trade receivables	16	**407.04**	373.44
(v)	Cash and cash equivalents	17	**66.96**	766.81
(vi)	Bank balance other than cash and cash equivalents	18	**413.55**	6.25
(vii)	Other financial assets	19	**53.55**	21.07
(c)	Other current assets	20	**964.05**	752.15
	Total - Current assets		**5,901.37**	**6,060.96**
	TOTAL - ASSETS		**17,757.20**	**16,639.50**

₹ in Crore

		Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES				
I	**Equity**			
(a)	Equity share capital	21	**1,220.54**	1,220.26
(b)	Other equity	22	**4,618.52**	5,591.91
	Equity attributable to owners of the Company		**5,839.06**	**6,812.17**
(c)	Non-controlling interest	22	**423.84**	1.12
	Total - Equity		**6,262.90**	**6,813.29**
II	**Non-current liabilities**			
(a)	Financial liabilities			
(i)	Borrowings	23	**1,091.44**	1,148.88
(ii)	Lease liabilities	4b	**3,586.20**	2,822.61
(iii)	Deposits		**38.29**	29.00
(iv)	Other financial liabilities	24	**1,559.02**	1,417.59
(b)	Deferred tax liabilities	10	**379.58**	399.87
(c)	Provisions	25	**122.83**	85.19
(d)	Other non-current liabilities	26	**3.20**	4.33
	Total - Non-current liabilities		**6,780.56**	**5,907.47**
III	**Current liabilities**			
(a)	Financial liabilities			
(i)	Borrowings	27	**603.16**	289.70
(ii)	Lease liabilities	4b	**908.31**	755.59
(iii)	Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	28a	**135.06**	99.81
	Total outstanding dues of creditors other than micro enterprises and small enterprises	28a	**2,218.06**	2,032.98
(iv)	Supplier's credit	28b	**131.73**	109.50
(v)	Deposits		**15.47**	14.73
(vi)	Other financial liabilities	29	**277.84**	214.08
(b)	Current tax (net)		**0.52**	8.18
(c)	Provisions	30	**95.57**	81.75
(d)	Other current liabilities	31	**328.02**	312.42
	Total - Current liabilities		**4,713.74**	**3,918.74**
	TOTAL - EQUITY AND LIABILITIES		**17,757.20**	**16,639.50**
	Basis of preparation	2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No.: 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN.: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN.: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

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

₹ in Crore

		Notes	Year ended March 31, 2026	Year ended March 31, 2025
A	**Continuing Operations**			
I	Revenue from operations	32	**8,176.92**	7,354.73
II	Other income	33	**309.61**	195.72
III	**Total income (I + II)**		**8,486.53**	**7,550.45**
IV	**Expenses**			
	(a) Cost of materials consumed	34a	**632.79**	522.82
	(b) Purchase of stock-in-trade	34b	**3,155.85**	2,756.13
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	34c	**(321.53)**	(101.88)
	(d) Employee benefits expense	35	**1,270.61**	1,142.22
	(e) Finance costs	36	**515.68**	567.39
	(f) Depreciation and amortisation expense	37	**1,339.49**	1,166.40
	(g) Rent expense	44a & 4a	**235.56**	205.15
	(h) Other expenses	38	**2,517.00**	2,153.87
	Total expenses		**9,345.45**	**8,412.10**
V	**Profit/ (loss) before Share in Profit/(loss) of Joint Venture and Associate, Exceptional items and Tax from continuing operations (III - IV)**		**(858.92)**	(861.65)
VI	Exceptional items	38a	**(39.86)**	161.15
VII	**Profit/(Loss) before Share in Profit/ (Loss) of Associate and Joint Venture and tax from continuing operations (V + VI)**		**(898.78)**	**(700.50)**
VIII	Add: Share in Profit/ (loss) of Joint Venture and Associate		**(29.35)**	(17.88)
IX	**Profit/(Loss) before tax for the year from continuing operations (VII+ VIII)**		**(928.13)**	**(718.38)**
X	**Income tax expense**			
	(a) Current tax	39	**40.66**	32.65
	(b) Current tax relating to earlier years		**0.06**	-
	(c) Deferred tax	39	**(138.96)**	(126.86)
			(98.24)	**(94.21)**
XI	**Net profit/(loss) after tax for the year from continuing operations (IX - X)**		**(829.89)**	**(624.17)**
B	**Discontinued operations:**			
XII	Revenue from operations		**-**	7,618.62
XIII	Other income		**-**	77.81
XIV	Expenses		**-**	7,367.13
XV	Exceptional items	38a	**-**	98.33
XVI	**Profit/ (loss) before tax for the year from discontinued operations (XII + XIII - XIV - XV)**		**-**	**230.97**
XVII	Tax expense/ (credit) of discontinued operations		**-**	62.62
XVIII	**Net profit/ (loss) after tax for the year from discontinued operations (XVI - XVII)**		**-**	**168.35**
XIX	**Net profit/ (loss) after tax for the year from continuing and discontinued operations (XI + XVIII)**		**(829.89)**	**(455.82)**
XII	**Other comprehensive income from continuing operations**			
	Items that will not be reclassified to profit or loss			
	(a) Re-measurement gains/ (losses) on defined benefit plans		**5.23**	(2.73)
	Income tax effect on above		**(1.33)**	0.83
	(b) Fair value gains/ (losses) on equity instruments		**7.44**	3.34
	Income tax effect on above		**(1.87)**	(0.84)

₹ in Crore

		Notes	Year ended March 31, 2026	Year ended March 31, 2025
	Items that will be reclassified to profit or loss			
	(a) Exchange differences on translation of foreign operations		**3.82**	0.40
	Income tax effect on above		**-**	-
	(b) Effective Portion of Cashflow Hedge		**(0.18)**	(0.43)
	Income tax effect on above		**0.08**	0.15
	Other comprehensive income from discontinuing operations			
	Items that will not be reclassified to profit or loss			
	(a) Re-measurement gains/ (losses) on defined benefit plans		**-**	(4.37)
	Income tax effect on above		**-**	1.08
XX	**Total other comprehensive income for the year from continuing and discontinued operations**		**13.19**	**(2.57)**
XXI	**Total comprehensive income for the year (XIX + XX)**		**(816.70)**	**(458.39)**
XXII	**Profit/(Loss) attributable to**			
	- Owners of the Company		**(775.89)**	(375.82)
	- Non-controlling interest		**(54.00)**	(80.00)
			(829.89)	**(455.82)**
XXIII	**Other comprehensive income attributable to**			
	- Owners of the Company		**11.29**	(2.45)
	- Non-controlling interest		**1.90**	(0.12)
			13.19	**(2.57)**
XXIV	**Total comprehensive income attributable to**			
	- Owners of the Company		**(764.60)**	(378.27)
	- Non-controlling interest		**(52.10)**	(80.12)
			(816.70)	**(458.39)**
XXV	**Earnings per equity share [Nominal value of share ₹ 10/- each (March 31, 2025 : ₹ 10)]**	40		
	Earnings per share for continuing operations			
	(a) Basic (₹)		**(6.38)**	(5.12)
	(b) Diluted (₹)		**(6.38)**	(5.12)
	Earnings per share for discontinued operations			
	(a) Basic (₹)		**-**	1.59
	(b) Diluted (₹)		**-**	1.59
	Earnings per share for continuing and discontinued operations			
	(a) Basic (₹)		**(6.38)**	(3.53)
	(b) Diluted (₹)		**(6.38)**	(3.53)
Basis of preparation		2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No.: 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN.: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN.: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

a. Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued				
As at the beginning of the year	**1,22,04,66,450**	**1,220.47**	**1,01,52,15,146**	**1,015.22**
Issue of equity shares on preferential basis [Refer Note- 21(iii)]	-	-	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note- 21(vii)]	-	-	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation (Refer Note 21(v))	-	-	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	2,77,246	0.28	4,82,075	0.48
As at the end of the year	**1,22,07,43,696**	**1,220.75**	**1,22,04,66,450**	**1,220.47**

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and fully paid				
As at the beginning of the year	**1,22,02,60,946**	**1,220.26**	**1,01,50,09,642**	**1,015.01**
Issue of equity shares on preferential basis [Refer Note- 21(iii)]	-	-	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note- 21(vii)]	-	-	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation (Refer Note 21(v))	-	-	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	277,246	0.28	4,82,075	0.48
As at the end of the year	**1,22,05,38,192**	**1,220.54**	**1,22,02,60,946**	**1,220.26**

b. Other equity

₹ in Crore

	Share application money pending allotment (Refer Note - 22)	Share suspense account (Refer Note - 22)	Reserves and surplus					Other equity (Refer Note - 22)	Other comprehensive income				Equity attributable to owners of the Company	Non-controlling interest (Refer Note-22)	Total other equity
			Securities premium (Refer Note - 22)	Retained earnings (Refer Note - 22)	Share options outstanding account (Refer Note - 22)	Treasury shares (Refer Note - 22)	Capital reserve (Refer Note - 22)		Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 22)	Effective portion of cashflow hedge (Refer Note -22)	Fair value gains/ (losses) on equity instruments (Refer Note - 22)	Foreign currency translation reserve (Refer Note-22)			
As at April 01, 2024	**0.04**	**0.02**	**5,251.48**	**(2,224.91)**	**79.27**	**(111.31)**	**22.89**	**(14.39)**	**(3.66)**	**0.21**	**7.49**	**0.24**	**3,007.37**	**687.23**	**3,694.60**
Loss for the year	-	-	-	(375.82)	-	-	-	-	-	-	-	-	(375.82)	(80.00)	(455.82)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(5.01)	(0.14)	2.50	0.20	(2.45)	(0.12)	(2.57)
Share based payment expense	-	-	-	-	12.68	-	-	-	-	-	-	-	12.68	-	12.68
Additional contribution by Non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	22.44	22.44
Equity shares under preferential Issue [Refer Note- 21(iii)]	-	-	2,258.97	-	-	-	-	-	-	-	-	-	2,258.97	-	2,258.97
Equity shares under QIP Issue [Refer Note- 21(vii)]	-	-	1,764.52	-	-	-	-	-	-	-	-	-	1,764.52	-	1,764.52
Share issue expenses on account of amalgamation	-	-	(12.53)	-	-	-	-	-	-	-	-	-	(12.53)	-	(12.53)
Issue of equity shares to Non- controlling shareholders of TCNS, upon amalgamation [Refer Note 21(v)]	-	-	-	-	-	-	593.25	-	-	-	-	-	593.25	(648.99)	(55.74)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	Share application money pending allotment (Refer Note - 22)	Share suspense account (Refer Note - 22)	Reserves and surplus					Other equity (Refer Note - 22)	Other comprehensive income				Equity attributable to owners of the Company	Non-controlling interest (Refer Note-22)	Total other equity
			Securities premium (Refer Note - 22)	Retained earnings (Refer Note - 22)	Share options outstanding account (Refer Note - 22)	Treasury shares (Refer Note - 22)	Capital reserve (Refer Note - 22)		Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 22)	Effective portion of cashflow hedge (Refer Note -22)	Fair value gains/ (losses) on equity instruments (Refer Note - 22)	Foreign currency translation reserve (Refer Note-22)			
Non-controlling interest recognised on April 01, 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	907.44	907.44
Non-controlling interest recognised pursuant to business combinations during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	213.04	213.04
Difference between redemption amount of Put option liabilities and carrying amount of Non-controlling interest [Refer Note - 24]	-	-	-	(278.69)	-	-	-	-	-	-	-	-	(278.69)	278.69	-
Non-controlling interest derecognised on March 31, 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,378.61)	(1,378.61)
Exercise price received pending allotment	0.27	-	-	-	-	-	-	-	-	-	-	-	0.27	-	0.27
Treasury shares issued/ (purchased) by ESOP Trust	-	-	-	-	-	7.15	-	-	-	-	-	-	7.15	-	7.15
Issue of shares upon exercise of options	-	-	9.04	-	(9.54)	-	2.90	-	-	-	-	-	2.40	-	2.40
Net asset transferred in accordance to scheme of arrangement [Refer Note - 41]	-	-	-	(1,343.72)	(41.49)	-	-	-	-	-	-	-	(1,385.21)	-	(1,385.21)
As at March 31, 2025	**0.31**	**0.02**	**9,271.48**	**(4,223.14)**	**40.92**	**(104.16)**	**619.04**	**(14.39)**	**(8.67)**	**0.07**	**9.99**	**0.44**	**5,591.91**	**1.12**	**5,593.03**

₹ in Crore

As at March 31, 2025	**0.31**	**0.02**	**9,271.48**	**(4,223.14)**	**40.92**	**(104.16)**	**619.04**	**(14.39)**	**(8.67)**	**0.07**	**9.99**	**0.44**	**5,591.91**	**1.12**	**5,593.03**
Loss for the year	-	-	-	(775.89)	-	-	-	-	-	-	-	-	(775.89)	(54.00)	(829.89)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	3.82	(0.05)	5.57	1.95	11.29	1.90	13.19
Share based payment expense	-	-	-	-	13.14	-	-	-	-	-	-	-	13.14	-	13.14
Cancellation of Investment in equity shares of Resultant Company	-	-	-	-	-	-	(0.05)	-	-	-	-	-	(0.05)	-	(0.05)
Acquisition of additional stake in subsidiary	-	-	-	(2.50)	-	-	-	-	-	-	-	-	(2.50)	-	(2.50)
Share issue expenses	-	-	-	(11.59)	-	-	-	-	-	-	-	-	(11.59)	-	(11.59)
Non-controlling interest recognised on April 01, 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	1,378.61	1,378.61

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	Share application money pending allotment (Refer Note - 22)	Share suspense account (Refer Note - 22)	Reserves and surplus					Other equity (Refer Note - 22)	Equity attributable to owners of the Company	Non-controlling interest (Refer Note-22)	Total other equity
			Securities premium (Refer Note - 22)	Retained earnings (Refer Note - 22)	Share options outstanding account (Refer Note - 22)	Treasury shares (Refer Note - 22)	Capital reserve (Refer Note - 22)	Other comprehensive income: Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 22)			
								Effective portion of cashflow hedge (Refer Note -22)			
								Fair value gains/ (losses) on equity instruments (Refer Note - 22)			
								Foreign currency translation reserve (Refer Note-22)			
Difference between redemption amount of Put option liabilities and carrying amount of Non-controlling interest (Refer Note - 24 & 29)	-	-	-	(216.39)	-	-	-	-	(216.39)	216.39	-
Equity contribution by non-controlling shareholders	-	-	-	-	-	-	-	-	-	437.32	437.32
Non-controlling interest derecognised on March 31, 2026	-	-	-	-	-	-	-	-	-	(1,557.50)	(1,557.50)
Resultant company shares held by ESOP trust	-	-	-	(62.25)	-	62.25	-	-	-	-	-
Treasury shares issued/ (purchased) by ESOP Trust	-	-	-	-	-	3.99	-	-	3.99	-	3.99
Sale of treasury shares in open market	-	-	-	-	-	8.50	(2.81)	-	5.69	-	5.69
Issue of shares upon exercise of options	(0.27)	-	2.13	-	(3.51)	-	0.57	-	(1.08)	-	(1.08)
As at March 31, 2026	**0.04**	**0.02**	**9,273.61**	**(5,291.76)**	**50.55**	**(29.42)**	**616.75**	**(14.39)**	**4,618.52**	**423.84**	**5,042.36**
The accompanying notes are an integral part of the consolidated financial statements.											

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No.: 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of Aditya Birla Fashion and Retail Limited

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(DIN.: 01842066)

Place: Mumbai
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(Whole-time Director)
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JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

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

₹ in Crore

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from operating activities			
Profit/(Loss) before tax from continuing operations		**(928.13)**	(718.38)
Profit/(Loss) before tax from discontinuing operations		**-**	230.97
Adjustments for:			
Depreciation, impairment and amortisation expense		**1,339.49**	1,807.42
Finance costs		**515.68**	949.39
Gain on termination of right-of-use assets (including exceptional item)		**(34.80)**	(49.64)
Profit on sale/ discard of property, plant and equipment and intangible assets		**(6.75)**	(1.18)
Fair value changes on derivatives		**(70.35)**	(21.90)
Share-based payment		**5.54**	50.74
Interest income		**(43.06)**	(16.89)
Liabilities no longer required written back		**(12.87)**	(6.64)
Net gain on current investments (including on redemption)		**(86.96)**	(60.40)
Unrealised foreign exchange loss (net)		**2.01**	14.60
Interest income from financial assets at amortised cost		**(47.00)**	(87.73)
Remeasurement of interest held in an erstwhile joint venture		**-**	(161.15)
Provision for doubtful debts, deposits and advances		**10.52**	8.85
Bad debts written off		**0.32**	1.90
Share of (profit)/ loss of Joint Venture and Associate		**29.35**	17.88
Operating profit before working capital changes		**672.99**	**1,957.84**
Changes in working capital:			
(Increase)/ decrease in trade receivables		**(39.71)**	(414.81)
(Increase)/ decrease in inventories		**(373.80)**	(38.79)
(Increase)/ decrease in other assets		**(359.77)**	(59.18)
Increase/ (decrease) in trade payables		**232.96**	268.88
Increase/ (decrease) in provisions		**64.26**	17.83
Increase/ (decrease) in other liabilities		**40.04**	(14.59)
Cash generated from/ (used) in operations		**236.97**	**1,717.18**
Income taxes paid (net of refund)		**(76.22)**	(35.85)
Net cash flows from/ (used) in operating activities		**160.75**	**1,681.33**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		**(508.82)**	(634.77)
Proceeds from sale of property, plant and equipment and intangible assets		**52.89**	42.09
Consideration paid for acquisition of subsidiary		**-**	(127.42)
Investment in an Associate		**(42.39)**	(148.09)
(Purchase) / proceeds from sale or redemption of current investments (net)		**616.20**	(758.99)
Investment in fixed deposits		**(407.30)**	-
Interest received		**22.38**	15.49
Net cash flows from/ (used) in investing activities		**(267.04)**	**(1,611.69)**

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
			₹ in Crore
Cash flows from financing activities			
Proceeds from issue of equity shares		**0.40**	10.31
Proceeds from QIP issue of equity shares (net off share issue expenses)		**-**	1,833.11
Proceeds from Preferential issue of equity shares (net off share issue expenses)		**-**	2,339.41
Proceeds from non-current borrowings (net off charges)		**186.82**	882.90
Repayment of non-current borrowings		**(67.95)**	(2,061.48)
Increase/ (decrease) in supplier's credit		**22.23**	(37.50)
Treasury shares issued/ (purchased) by ESOP Trust		**8.47**	7.15
Proceeds/ (Repayment) from current borrowings (net)		**135.65**	(637.22)
Proceeds from issue of compulsory convertible preference shares (net off issue expenses)		**425.74**	-
Repayment of lease liabilities		**(796.47)**	(1,130.03)
Interest paid on lease liabilities		**(353.03)**	(485.04)
Interest paid		**(155.42)**	(425.41)
Net cash flows from/ (used) in financing activities		**(593.56)**	**296.20**
Net increase/ (decrease) in cash and cash equivalents		**(699.85)**	**365.84**
Cash and cash equivalents at the beginning of the year		**766.81**	454.03
Cash transferred pursuant to Scheme of Arrangement		**-**	(53.06)
Cash and cash equivalents at the end of the year		**66.96**	**766.81**
Components of Cash and cash equivalents			
Balances with banks - on current accounts		**49.45**	156.06
Balances with banks - on deposit accounts (original maturity less than 3 months)		**-**	581.04
Balances with credit card companies		**5.04**	10.74
Balances with e-wallet companies		**2.71**	2.61
Cash on hand		**9.76**	16.33
Cheques/ drafts on hand		**-**	0.03
Total Cash and cash equivalents		**66.96**	**766.81**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No.: 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN.: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN.: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in ₹ Crore, unless otherwise stated)

1. Corporate information

Aditya Birla Fashion and Retail Limited ("the Company" or "the Holding Company"), a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) and Non-Convertible Debentures are listed in the Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400070.

The Company, its subsidiaries (together referred to as the "Group") and its associate are engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The consolidated financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 25, 2026.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention, except the following assets and liabilities, which have been measured at fair value as required by the relevant Ind AS :

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments);
- Defined employee benefit plans;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The functional currency of the Group, its subsidiaries and its associate is determined on the basis of the primary economic environment in which it operates. The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million).

2.3 Principles of consolidation

The consolidated financial statements (CFS) comprise the financial statements of the Company and its Subsidiaries and an Associate. Subsidiaries are entities controlled by the Group. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

110) and "Investment in Associates and Joint Ventures" (Ind AS 28) notified under Section 133 of the Companies Act, 2013. The Group controls an investee 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.

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 of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

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. When the end of the reporting period of the parent is different from that of a subsidiary and associate, the subsidiary and associate prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary and associate, unless it is impracticable to do so.

Consolidation procedures for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- 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.
- 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 are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to 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 and to the non- controlling interests, even if this results in the non- controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Equity Accounted Investees:

A associate is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the associate. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in a associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains resulting from the transaction between the Group and associate are eliminated to the extent of the interest in the associate, and deferred tax is made on the same.

When the Group's share of losses of associate equals or exceeds its interest in that associate (which includes any long-term interest that, in substance, forms part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The aggregate of the Group's share of profit or loss of the associate is shown on the face of the Consolidated Statement of Profit and Loss separately.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of a associate' in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in the Consolidated Statement of Profit and Loss.

2.4 Current versus non-current classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- It does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.5 Critical Accounting Judgments, Estimates And Assumptions

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the 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. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, 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's assumptions and estimates are based on parameters available at the time of preparation of financial statements. 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.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5b.

(b) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

As at March 31, 2026, the Group has ₹ 2,497.38 Crore (March 31, 2025: ₹ 2,170.11 Crore) of tax losses carried forward as per income tax records to the extent which Deferred tax Asset has been created in books. These losses pertain to unabsorbed business loss as at March 31, 2026 of ₹ 1264.43 Crore (March 31, 2025 of ₹ 1,260.78 Crore) which has an expiry of eight years and unabsorbed depreciation loss as at March 31, 2026 of ₹ 1,232.95 Crore (March 31, 2025 of ₹ 909.34 Crore) which do not have any expiry period. Further details on taxes are disclosed in Notes - 10 and 39.

(c) Provision on inventories

The Group has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Group provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Group provides for discount and sales return based on season wise, brand wise and channel wise trend of previous years. The Group reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

(f) Valuation of Non - controlling interest Put Option

The fair value of financial liability (put option) arising from acquisition agreements, has been determined at present value of consideration payable, using appropriate valuation model. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of the put option. Such valuation includes assumptions such as discount rate, future cashflow and EBITDA estimates. Such assumptions are reviewed at each reporting date.

(g) Useful life of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Group determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges (Refer note 3a).

(h) Going concern

Management has considered the cash and cash equivalents and current investments at March 31, 2026, committed undrawn borrowing facilities available and also evaluated the future cash flow projections for a period of 12 months from the balance sheet date. Based on the said assessment, the management believes that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the Group's ability to continue as a going concern, hence the consolidated financial statements have been prepared on a going concern basis.

2.6 New and amended standards adopted by the Group:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 and August 13, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended the following accounting standards. These amendments are effective from April 01, 2025.

(a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance.

The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

(b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of consolidated 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The Group has reviewed the amendment and provided the disclosure in the consolidated financial statement (Refer Note 27)

(c) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12

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 (Refer note 19).

(d) Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.7 New standards or amendments not yet adopted:

a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Group does not expect this amendment to have an impact on its operations or consolidated financial statements.

NOTE 3a : PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 – 6 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 – 10 years (Refer Note below)
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Electric Installations	Furniture and fixtures	10 years	5 – 10 years (Refer Note below)
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	5 – 10 years (Refer Note below)
Office electrical equipment	Office equipment	5 years	4 - 7 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	4 - 5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Note: Management has re-estimated the useful life of certain assets (Refer Below) with effect from January 1, 2026. Further the management has also re-estimated the residual values of furniture and fittings, electrical installations and air conditioner. The above changes in the estimates have resulted in reduction in the depreciation cost by Rs. 13.65 Crores for the year ended March 31, 2026.

Class Description	Stores (Useful Life)	
	Till 31 Dec 2025	From 01 Jan 2026
Furniture and Fittings	5-6	5-10
Electrical Installations	5-6	5-10

Class Description	Non - Stores (Useful Life)	
	Till 31 Dec 2025	From 01 Jan 2026
Furniture and Fittings	5-7	5-10
Electrical Installations	5-6	5-10

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

See note 53 for other accounting policies relevant to property, plant and equipment.

Property, Plant and Equipment

₹ in Crore

	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost									
As at April 01, 2024	**5.92**	**66.54**	**332.86**	**717.99**	**198.62**	**871.45**	**235.82**	**44.61**	**2,473.81**
Additions	0.26	44.41	77.05	123.37	35.38	185.75	35.92	27.36	**529.50**
Addition pursuant to business combination (Refer Note - 46)	-	-	3.68	5.67	1.34	6.73	8.56	1.85	**27.83**
Adjustments#	-	-	73.39	14.32	7.78	260.08	(56.58)	0.28	**299.27**
Disposals	-	-	39.64	82.58	38.57	94.70	14.81	6.87	**277.17**
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	6.18	110.91	383.83	233.32	57.97	321.91	36.39	41.05	**1,191.56**
As at March 31, 2025	**-**	**0.04**	**63.51**	**545.45**	**146.58**	**907.40**	**172.52**	**26.18**	**1,861.68**
Additions	-	-	35.45	324.01	39.00	149.22	33.59	7.69	**588.96**
Adjustments##	-	-	(3.34)	2.35	0.01	(0.05)	0.77	-	**(0.25)**
Disposals	-	-	1.65	30.97	24.80	77.23	17.31	0.52	**152.48**
As at March 31, 2026	**-**	**0.04**	**93.98**	**840.84**	**160.79**	**979.34**	**189.57**	**33.35**	**2,297.90**
Depreciation									
As at April 01, 2024	**-**	**10.35**	**133.64**	**331.25**	**121.03**	**425.69**	**104.83**	**9.56**	**1,136.35**
Depreciation for the year (Refer Note - 37)	-	2.07	23.39	108.08	33.97	138.12	30.96	10.61	**347.19**
Adjustments#	-	-	45.68	21.69	9.33	236.45	(14.29)	0.41	**299.27**
Disposals	-	-	37.65	67.34	35.65	84.48	11.80	3.53	**240.45**
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	-	12.42	147.94	118.06	22.85	189.08	17.62	8.73	**516.69**
As at March 31, 2025	**-**	**-**	**17.12**	**275.62**	**105.83**	**526.70**	**92.08**	**8.32**	**1,025.67**
Depreciation for the year (Refer Note - 37)	-	-	12.67	92.82	24.81	105.86	24.26	6.97	**267.39**
Adjustments##	-	-	(0.12)	0.03	0.01	(0.04)	0.03	-	**(0.08)**
Disposals	-	-	1.06	27.09	22.22	47.50	9.22	0.29	**107.38**
As at March 31, 2026	**-**	**-**	**28.61**	**341.38**	**108.43**	**585.02**	**107.15**	**15.00**	**1,185.60**
Net carrying value as at:									
March 31, 2026	**-**	**0.04**	**65.37**	**499.46**	**52.36**	**394.32**	**82.41**	**18.35**	**1,112.30**
March 31, 2025	**-**	**0.04**	**46.39**	**269.83**	**40.75**	**380.70**	**80.44**	**17.86**	**836.01**

Net carrying value

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment	**1,112.30**	836.01
Total	**1,112.30**	**836.01**

Represents adjustments on account of reclassification witin the classes of Assets during the year.

Represents adjustments on account of deletions to property plant and equipment, post the date of transition to Ind AS, which were recorded by considering their cost of acquisition and accumulated depreciation since the date of capitalisation. The assets which were sold / discarded were recorded at their deemed cost by the Company on the date of transition to Ind AS. The said adjustment did not have any impact on the net carrying value of the property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 3b : CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital work-in-progress	**87.89**	181.01
Total	**87.89**	**181.01**

Ageing of Capital work-in-progress as on March 31, 2026

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	**82.12**	**5.77**	**-**	**-**	**87.89**
(ii) Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	137.26	43.75	-	-	181.01
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as on the reporting periods where costs have been exceeded cost as compared to its original plan or where completion is overdue.

NOTE 4 : RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not considered as an identied asset;
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Where the Group is the lessee

Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Lease liabilities

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in movement of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Consolidated Balance Sheet.

Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases 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.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset is classified as an operating lease. Assets subject to operating leases are included in the property, plant and equipment. Rental income on an

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

operating lease is recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Consolidated Statement of Profit and Loss.

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipment	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost								
As at April 01, 2024	**11.60**	**7,471.39**	**21.33**	**3.90**	**111.55**	**6.42**	**-**	**7,626.19**
Additions	-	1,737.51	-	-	8.51	-	-	**1,746.02**
Addition pursuant to business combination (Refer Note - 46)	-	46.37	-	-	-	-	-	**46.37**
Termination	-	863.27	-	-	1.07	-	-	**864.34**
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	11.33	2,741.11	15.60	-	89.47	3.49	-	**2,861.00**
As at March 31, 2025	**0.27**	**5,650.89**	**5.73**	**3.90**	**29.52**	**2.93**	**-**	**5,693.24**
Additions	-	1,885.16	26.83	2.25	33.12	2.20	2.91	**1,952.47**
Termination	-	284.09	-	-	-	-	-	**284.09**
As at March 31, 2026	**0.27**	**7,251.96**	**32.56**	**6.15**	**62.64**	**5.13**	**2.91**	**7,361.62**
Depreciation								
As at April 01, 2024	**0.95**	**3,226.49**	**14.39**	**2.39**	**71.56**	**3.65**	**-**	**3,319.43**
Depreciation for the year (Refer Note - 37)#	0.14	1,187.61	3.91	1.00	19.96	1.29	-	**1,213.90**
Termination	-	593.52	-	-	0.21	-	-	**593.73**
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	1.09	1,151.70	13.17	-	69.81	2.48	-	**1,238.24**
As at March 31, 2025	**-**	**2,668.88**	**5.13**	**3.39**	**21.50**	**2.46**	**-**	**2,701.36**
Depreciation for the year (Refer Note - 37)#	-	924.78	5.78	0.54	5.13	0.43	0.07	**936.73**
Termination	-	89.03	-	-	-	-	-	**89.03**
As at March 31, 2026	**-**	**3,504.63**	**10.91**	**3.93**	**26.63**	**2.89**	**0.07**	**3,549.06**
Net carrying value as at:								
As at March 31, 2026	**0.27**	**3,747.33**	**21.65**	**2.22**	**36.01**	**2.24**	**2.84**	**3,812.56**
As at March 31, 2025	**0.27**	**2,982.01**	**0.60**	**0.51**	**8.02**	**0.47**	**-**	**2,991.88**

Depreciation for the year excludes ₹ 14.85 Crore (March 31, 2025: ₹ 16.11 Crore) which has been transferred to Capital work-in progress for property under construction.

Net carrying value

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Right-of-use assets	3,812.56	2,991.88
Total	**3,812.56**	**2,991.88**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening balance	**3,578.20**	**5,246.22**
Additions	**1,903.04**	1,770.43
Addition pursuant to business combination	**-**	49.88
Terminations*	**(205.76)**	(321.33)
Interest expense on lease liabilities#	**368.53**	504.32
Payments	**(1,149.50)**	(1,691.06)
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	**-**	(1,980.26)
Closing balance	**4,494.51**	**3,578.20**

Note - Lease liabilities Includes liabilties for net investment in sub-lease amounting to ₹ 128.41 Crore (March 31, 2025: ₹ 116.79 Crore)

*Termination includes carrrying value of leases which have been derecognised upon sub-lease arrangements entered into by the Company amounting to ₹ 24.10 Crore.

Interest expense on lease liabilities of ₹ 15.50 crore (March 31, 2025: ₹ 19.27 Crore) has been transferred to Capital work-in progress for property under construction.

Current	**908.31**	**755.59**
Non-current	**3,586.20**	**2,822.61**

For maturity analysis of lease liabilities, refer Note - 44a.

(c) INVESTMENT PROPERTY

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Freehold Land and Structure	**3.56**	3.61
Total	**3.56**	**3.61**
Fair value of investment property	**11.63**	**11.32**

a) Fair value has been arrived from the valuation performed by a registered valuer using Comparable Sales Method for Land Component and Depreciated Replacement Cost Method for the Structures. The fair value of the investment property is ₹ 11.63 crore as on March 31, 2026 (March 31, 2025: ₹ 11.32 crore).

Estimation of fair value: The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 5(a) : GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

Amortisation methods and periods

A summary of amortisation policies applied to the Group's intangible assets is as below:

Intangible assets	Useful life	Amortisation method used
Computer software	3 - 4 years	Amortised on straight-line basis
Brands/ trademarks	10 -30 years	Amortised on straight-line basis, except where the Brand/Trademark is considered to have indefinite life
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	10 years	Amortised on straight-line basis over the period of franchise agreement
Non-Compete	7 years	Amortised on straight-line basis

See note 53 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know-how	Franchisee rights	Non-Competeright	Total
Cost							
As at April 01, 2024	**3,212.77**	**2,517.27**	**206.02**	**1.84**	**592.68**	**3.00**	**6,533.58**
Additions	-	6.64	63.94	23.69	-	-	**94.27**
Addition pursuant to business combination (Refer Note - 46)	149.95	505.00	0.56	-	-	-	**655.51**
Adjustments#	-	-	4.57	-	-	-	**4.57**
Disposals	-	1.63	28.02	-	33.81	-	**63.46**
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	692.05	13.75	108.24	6.36	528.56	-	**1,348.96**
As at March 31, 2025	**2,670.67**	**3,013.53**	**138.83**	**19.17**	**30.31**	**3.00**	**5,875.51**
Additions	-	0.96	11.70	-	-	-	**12.66**
Disposals	-	-	0.43	-	-	-	**0.43**
As at March 31, 2026	**2,670.67**	**3,014.49**	**150.10**	**19.17**	**30.31**	**3.00**	**5,887.74**
Amortisation							
As at April 01, 2024	-	**111.36**	**128.01**	**1.48**	**61.55**	**0.29**	**302.69**
Amortisation for the year (Refer Note - 37)	-	109.17	41.09	0.63	28.73	-	**179.61**

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know-how	Franchisee rights	Non-Competeright	Total
Impairment	64.38	-	-	-	18.44	-	**82.82**
Adjustments#	-	-	4.57	-	-	-	**4.57**
Disposals	-	-	27.33	-	33.81	-	**61.14**
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	64.38	7.57	76.86	0.27	69.84	-	**218.91**
As at March 31, 2025	**-**	**212.96**	**69.48**	**1.84**	**5.07**	**0.29**	**289.64**
As at April 1, 2025							
Amortisation for the year (Refer Note - 37)	-	112.26	28.83	3.55	3.05	2.57	**150.26**
Disposals	-	-	0.43	-	-	-	**0.43**
As at March 31, 2026	**-**	**325.22**	**97.88**	**5.39**	**8.12**	**2.86**	**439.47**
Net carrying value as at:							
March 31, 2026	**2,670.67**	**2,689.27**	**52.22**	**13.78**	**22.19**	**0.14**	**5,448.27**
March 31, 2025	**2,670.67**	**2,800.57**	**69.35**	**17.33**	**25.24**	**2.71**	**5,585.87**

Represents adjustments on account of deletions to intangible assets, post the date of transition to Ind AS, which were recorded by considering their cost of acquisition and accumulated amortisation since the date of capitalisation. The assets which were sold / discarded were recorded at their deemed cost by the Company on the date of transition to Ind AS. The adjustment did not have any impact on the net carrying value of the intangible assets.

Net carrying value

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Goodwill	**2,670.67**	2,670.67
Other intangible assets	**2,777.60**	2,915.20
Total	**5,448.27**	**5,585.87**

(b) Intangible Assets Under Development

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Intangible assets under development	**9.85**	0.21
Total	**9.85**	**0.21**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Intangible Assets Under Development

Ageing of Intangible assets under development as on March 31, 2026 ₹ in Crore

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	**9.70**	**0.15**	**-**	**-**	**9.85**
(ii) Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**

Ageing of Intangible assets under development as on March 31, 2025 ₹ in Crore

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	0.21	-	-	-	0.21
(ii) Projects temporarily suspended	-	-	-	-	-

(c) Impairment Testing Of Goodwill

Goodwill acquired through business combinations have been allocated to the ten Cash-Generating Units (CGUs) as below:

1. Pantaloons CGU
2. Jaypore CGU
3. Finesse CGU
4. Sabyasachi CGU
5. HMLPL CGU
6. TMRW CGU
7. TCNS CGU
8. GFPL CGU

Pantaloons CGU

During the year ended March 31, 2013, the Company acquired Pantaloons format business ('Pantaloons business') from Future Retail Limited ("FRL"), which consisted of fashion retail business operating under the brand name "Pantaloons". Pantaloons is a leading large format fashion retailer engaged in retailing of apparel and accessories.

Jaypore CGU

Effective July 02, 2019, the Company entered in a Share Purchase Agreement(s) with Jaypore E-Commerce Private Limited ("Jaypore") and TG Apparel & Decor Private Limited ("TG Apparel") which sells ethnic fashion merchandise under its own brand "Jaypore" and of other third-party brands through stores and on-line channels. Consequent to the above, Jaypore, Jaypore Inc., USA (an overseas wholly-owned subsidiary of Jaypore) and TG Apparel become wholly-owned subsidiaries of the Company. These Companies together are considered as a separate CGU "Jaypore CGU". Jaypore Inc., USA, an overseas wholly-owned subsidiary of Jaypore was dissolved on September 21, 2020.

Finesse CGU

Effective July 26, 2019, the Company entered into a strategic partnership with India's leading designers "Shantanu & Nikhil" by way of acquisition of 51% stake in 'Finesse International Design Private Limited' ("Finesse"), which is primarily engaged in the business of occasional and ceremonial contemporary apparel for men and women under the brand name 'Shantanu & Nikhil'. Finesse became the subsidiary of the Company and is considered as a separate CGU "Finesse CGU".

Sabyasachi CGU

Effective February 24, 2021, the Company entered into Agreement with Sabyasachi Calcutta LLP [formerly M/s. Sabyasachi Couture, a partnership firm ("Sabyasachi") with a profit share of 51% to the Company, which is engaged in the business of manufacturing, distribution and sale of designer apparel, accessories and jewellery under its own brand 'Sabyasachi' (the "Brand" or "Brand – 'Sabyasachi'"). Sabyasachi is India's largest and most influential luxury designer brands with strong Indian roots and global appeal. The Brand straddles categories such as apparel, accessories and jewellery and has a strong franchisee network in India, US, UK, and the Middle East. Considering the terms of the Agreement, Sabyasachi Calcutta LLP became the subsidiary of the Company and is considered as a separate CGU "Sabyasachi CGU".

HMLPL CGU

On January 14, 2022, the Board of Directors approved the acquisition of 52.44% stake in House of Masaba Lifestyle Private Limited ("HMLPL") by way of entering into a Binding Term Sheet subject to signing of definitive agreements, completion of closing conditions precedent to be set out in the definitive agreements and statutory approvals, if any. On June 01, 2022, post completion of closing conditions precedent to be set out in the definitive agreements and statutory approvals, HMLPL became a subsidiary of the Company and is considered as a separate CGU "HMLPL CGU".

TMRW CGU

On February 4, 2022, the Board approved to set up a new subsidiary, for foraying into the Direct to Consumer ("D2C') business towards building a portfolio of distinct, new-age, digital brands across categories in fashion, beauty and other allied lifestyle segments. The D2C portfolio will be built through organic and inorganic means. Thus, w.e.f. April 11, 2022 Aditya Birla Digital Fashion Ventures Limited ("ABDFVL" or "TMRW") a wholly owned subsidiary of the Company was set up to carry on the "D2C" business. TMRW includes the following CGUs/ businesses for which goodwill impairment evaluation is performed separately, Awesome Fab Shopping Pvt Ltd, Imperial Online Services Private Limited, Pratyaya E-Commerce Pvt Ltd, NautiNati, Bewakoof Brands Private Limited and Styleverse lifesyle private Limited form part of ABDFVL CGU.

TCNS CGU

ABFRL acquired TCNS Clothing Co. Ltd. ('TCNS') on September 26, 2023. TCNS owns 'W', 'Aurelia', 'Elleven' and 'Wishful'. TCNS has retail stores across the country selling women's branded apparel. TCNS is considered as separate CGU by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

GFPL CGU

The Group has raised its shareholding in GFPL, a joint venture company of the Group, from 33.5% to 51%, through secondary acquisition of 17.5% equity stake for an aggregate amount of ~₹ 127.42 crore from the existing shareholders of GFPL, thereby making GFPL a subsidiary of the Company with effect from July 11, 2024 and is considered as a separate CGU "GFPL CGU".

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Pantaloons CGU	**1,167.55**	1,167.55
Jaypore CGU	**88.44**	88.44
Finesse CGU	**35.02**	35.02
Sabyasachi CGU	**226.14**	226.14
HMLPL CGU	**45.24**	45.24
TMRW CGU		
Awesome Fab Shopping Private Limited	**7.48**	7.48
Imperial Online Services Private Limited	**6.82**	6.82
Pratyaya E-Commerce Private Limited	**3.64**	3.64
NautiNati	**4.35**	4.35
Bewakoof Brands Private Limited	**72.47**	72.47
Styleverse Lifesyle Private Limited	**36.84**	36.84
TCNS CGU	**827.17**	827.17
GFPL CGU	**149.51**	149.51
Total	**2,670.67**	**2,670.67**

Disclosures with respect to Goodwill allocated to the CGUs

Value in use calculation of CGUs

The recoverable amount of the CGUs as at March 31, 2026, has been determined based on value in use using cash flow projections from financial budgets approved by the management covering a three years period ended March 31, 2028 and cash flow projections for financial years 2030 and 2031 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Group has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2031. The post-tax discount rate is applied to discounted cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to each 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 of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment. The cost of debt is based on the interest-bearing borrowings of the respective CGU. 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 post-tax discount rate.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Group's projection of business and growth of the industry in which the Group is operating. The growth rate is in line with the long-term growth rate of the industry. The growth rate of these CGUs considers the Group's plan to launch new stores/ expected same store growth, digital e-commerce and change in merchandise.

No reasonable possible change in key assumptions is likely to result in the recoverable amount of the CGUs being less than their carrying amount

	Terminal growth rate		Discount rate	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Pantaloons CGU	**5.00%**	5.00%	**12.50%**	12.50%
Jaypore CGU	**5.00%**	5.00%	**16.50%**	16.50%
Finesse CGU	**5.00%**	5.00%	**15.00%**	15.00%
Sabyasachi CGU	**5.00%**	5.00%	**13.00%**	13.00%
HMLPL CGU	**5.00%**	5.00%	**14.00%**	14.00%
Awesome Fab Shopping Private Limited CGU	**5.00%**	5.00%	**16.50%**	17.50%
Imperial Online Services Private Limited CGU	**5.00%**	5.00%	**16.50%**	17.50%
Pratyaya E-Commerce Private Limited CGU	**5.00%**	5.00%	**15.50%**	18.00%
NautiNati CGU	**5.00%**	5.00%	**20.00%**	20.00%
Bewakoof Brands Private Limited CGU	**5.00%**	5.00%	**16.50%**	17.00%
Styleverse lifesyle private Limited CGU	**5.00%**	5.00%	**17.00%**	16.50%
TCNS CGU	**5.00%**	5.00%	**15.00%**	15.00%
GFPL CGU	**5.00%**	5.00%	**13.00%**	15.30%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 6(a) : INVESTMENT IN ASSOCIATE

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Associate		
Unquoted equity shares		
3,257 (March 31, 2025: 3,058) fully paid equity shares of ₹ 10/- each of Universal Sportsbiz Private Limited	**23.90**	23.09
Share in profit / (loss) after tax (including other comprehensive income) of Associate	**(23.90)**	(17.57)
	-	5.52
Unquoted preference Shares		
18,086 (March 31, 2025: 18,086) fully paid Optionally convertible preference shares of ₹ 1/- each of Universal Sportsbiz Private Limited	**125.00**	125.00
1427 (March 31, 2025: Nil) fully paid 0.01% CCPS - Series F of ₹ 10/- each of Wrogn Private Limited	**5.76**	-
8,634 (March 31, 2025: Nil) fully paid Optional Convertible Redeemable Preference Shares (OCRPS) of ₹ 10/- each of Universal Sportsbiz Private Limited	**35.81**	-
Share in profit / (loss) after tax (including other comprehensive income) of Associate	**(23.01)**	-
Total	**143.56**	**130.52**

Note:-

i. On June 19, 2024, the Board of Directors of Aditya Birla Digital Fashion Ventures Limited (ABDFVL) wholly owned subsidiary of the Company has approved the acquisition of 17.1% stake of Wrogn Private Limited ('Wrogn') (formerly known as "Universal Sportsbiz Private Limited") for consideration of ₹ 23.09 crore in equity and INR 50 in CCPS by entering into a SPA. Further on October 15, 2024 the Company has invested additionally ₹ 75 Crore in CCPS. Cumulative stake in Wrogn is 32.84%. Considering the terms of the agreement, Wrogn is considered as an associate of ABDFVL.

ii. 2) During the current financial year, on 28 Jan, 2026,

(i) ₹ 35.81 has been additionally invested during the year through subscription of 8,634 Optional Convertible Redeemable Preference Shares (OCRPS) of ₹ 10/-;

(ii) a total amounting to ₹ 6.57 has been paid to Myntra Designs Private Limited for acquistion of its stake held in Wrogn Private Limited (199 equity shares amounting to ₹ 0.81 ; 1,427 Compulsorily Convertible Preference Shares (CCPS - Series F) amounting to ₹ 5.76).

(b) OTHER INVESTMENTS: (Carried at fair value through other comprehensive income)

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Unquoted equity instruments		
7,000 (March 31, 2025: 7,000) fully paid equity shares of ₹ 10/- each of Birla Management Centre Services Limited*	**21.55**	17.53
68,25,000 (March 31, 2025: 68,25,000) fully paid equity shares of ₹ 10/- each of CLI Footwear and Accessories Private Limited#	**10.24**	6.83
10,000 (March 31, 2025: 10,000) fully paid up equity shares of ₹ 10/- each of Retailers Association of India	**0.01**	0.01
Total	**31.80**	**24.37**

* Increase is on account of fair valuation.

On August 04, 2023, the Board of Directors approved to incorporate a new company in partnership with Christian Louboutin SAS ("CL"). On September 12, 2023, the Company has incorporated a new company viz. CLI Footwear and Accessories Private Limited ("CLI") in partnership with Christian Louboutin SAS ("CL SAS"). CLI is a 50%-50% partnership between the Company and CL SAS. CLI is incorporated by the Company in partnership with CL SAS in India to carry out the business of distribution and sale of CL SAS's products in India. The Company has entered into shareholders agreement which provides CLI with a call option to buy the Company's 50% equity interest at any time during the agreement period at the fair value. The Company has evaluated the impact of such call option and concluded that the Company does not have a significant influence over CLI despite the Company having 3 nominee directors on the board. Accordingly, the Management has disclosed the amount invested in CLI as equity investments carried at fair value through other comprehensive income.

Aggregate book value of unquoted investments	**175.36**	154.89
Aggregate amount of impairment in value of investments	**-**	-

NOTE 7 : NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Loans and advances to employees		
Unsecured, considered good	**0.02**	0.01
Total	**0.02**	**0.01**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 8 : NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Security deposits		
To Related party - unsecured, considered good (Refer Note - 47)	**6.84**	5.64
To Others		
Unsecured, considered good	**384.83**	331.12
Unsecured, considered doubtful	**5.29**	7.65
Provision for doubtful deposits	**(5.29)**	(7.65)
Total	**391.67**	**336.76**

NOTE 9 : NON-CURRENT FINANCIAL ASSETS - OTHERS

Accounting Policy

(I) Financial instruments

(i) Classification of financial assets at amortised cost

The group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.Financial assets classified at amortised cost comprise trade receivables, loans and security deposits.

(ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVTOCI) comprise equity securities (unlisted) which are not held for trading, and for which the Company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. These are strategic investments and the Company considers this classification to be more relevant.

(iii) Classification of financial assets at fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVTPL):

- debt investments (bonds, debentures and mutual funds) that do not qualify for measurement at either amortised cost or FVTOCI,
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI, and
- Investments in financial instruments issued by subsidiaries, associate and joint venture, whose contractual terms are not wholly equity in nature.

Derivatives

The Put and Call options held to acquire equity interest held by the other shareholders in an Associate are initially measured at fair value. The subsequent changes in fair value are recognised in the Consolidated Statement of Profit and Loss.

See note 53 for other accounting policies relevant to Financial instruments

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	**111.47**	97.90
Other bank balance		
Bank deposits with more than 12 months maturity from the Balance Sheet date	**0.26**	0.32
Derivative Instruments#	**85.50**	29.50
Total	**197.23**	**127.72**

As per the terms of Shareholder's Agreement, Aditya Birla Digital Fashion Ventures Limited (ABDFVL), wholly owned subsidiary of the Company, has call options to purchase the equity interest held by the other shareholders in Wrogn Private Limited which are exerciseable based on the terms specified in the agreement. Such options are accounted for as derivative financial instruments. The fair value of call options are measured based on a valuation performed by an independent valuer.

NOTE 10 : DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

Reflected in the Consolidated Balance Sheet as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	**362.43**	245.53
Deferred tax liabilities	**379.58**	399.87

Deferred tax assets/ (liabilities) relates to the following:

	Deferred tax assets/ (liabilities) as at March 31, 2025	Deferred tax charge/ (credit) recognised in Total Comprehensive Income	Deferred tax (credit) recognised In the equity	Deferred tax assets/ (liabilities) as at March 31, 2026
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(125.61)	(29.26)	-	**(96.35)**
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	23.50	(9.43)	-	**32.93**
Share-based payment	9.55	3.73	-	**5.82**
Business and depreciation loss as per income tax computations available for off-set against future taxable income	549.90	(78.70)	-	**628.59**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

	Deferred tax assets/ (liabilities) as at March 31, 2025	Deferred tax charge/ (credit) recognised in Total Comprehensive Income	Deferred tax (credit) recognised In the equity	Deferred tax assets/ (liabilities) as at March 31, 2026
Tax effect on FOREX translation reserve	-	-	(1.35)	**1.35**
Business combinations impact	1.93	-	-	**1.93**
Deferred tax liability on Right of use assets	(531.79)	139.36	-	**(671.14)**
Deferred tax asset on lease liabilities	664.25	(151.34)	-	**815.59**
Deferred tax relating to other intangible assets	(755.13)	(14.65)	-	**(740.48)**
Others (incl OCI)	9.06	4.44	-	**4.62**
Net deferred tax assets/ (liabilities)	**(154.33)**	**(135.85)**	**(1.35)**	**(17.15)**

₹ in Crore

	Deferred tax assets/ (liabilities) as atMarch 31, 2024	Deferred tax charge/ (credit) recognised in Total Comprehensive Income	Deferred tax assets/ (liabilities) Acquired pursuant to business combination	Deferred tax (credit) recognised in the equity	Deferred tax assets/ (liabilities) Transfer pursuant to scheme of Arrangement	Deferred tax assets/ (liabilities) as at March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(223.11)	(21.55)	-	-	(75.96)	(125.61)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	62.66	1.42	-	-	37.73	23.50
Share-based payment	14.27	(4.50)	-	-	9.22	9.55
Business and depreciation loss as per income tax computations available for off-set against future taxable income	584.61	(20.93)	-	(0.31)	55.95	549.90
Business combinations impact	-	-	1.93	-	-	1.93
Deferred tax liability on Right of use assets	(916.13)	23.88	-	-	(408.22)	(531.79)
Deferred tax asset on lease liabilities	1,146.55	(16.14)	-	-	498.43	664.25
Deferred tax relating to other intangible assets	(661.03)	(33.01)	(127.11)	-	-	(755.13)
Others (incl OCI)	(11.62)	5.37	-	-	(26.05)	9.06
Net deferred tax assets/ (liabilities)	**(3.81)**	**(65.46)**	**(125.18)**	**(0.31)**	**91.10**	**(154.33)**

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 the same taxable entity and the same taxation authority.

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	Deferred tax assets (net)		Deferred tax liabilities (net)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	**245.53**	**657.20**	**(399.87)**	**(661.03)**
Deferred tax pursuant to amalgamation	**-**	(370.00)	**-**	370.00
Deferred tax pursuant to business combinations (Refer Note - 46)	**-**	1.93	**-**	(127.11)
Deferred tax (credit)/ charge recognised in profit and loss	**118.66**	45.97	**20.29**	18.27
Deferred tax (credit)/ charge recognised in OCI during the year (Refer Note - 39)	**(3.13)**	1.22	**-**	-
Foreign Exchange Difference	**1.37**	0.31	**-**	-
Transfer pursuant to Scheme of Arrangement	**-**	(91.10)	**-**	-
Others	**-**	-	**-**	-
As at the end of the year	**362.43**	**245.53**	**(379.58)**	**(399.87)**

Carry forward business losses in repect of which deferred tax asset has been recognised, expire unutilised based on the year of origination as below:-

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Within 4 years	**312.24**	194.45
Beyond 4 years upto 8 years	**952.19**	1,066.33
Total	**1,264.43**	**1,260.78**

NOTE 11 : OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital advances	**18.89**	18.16
Prepayments	**5.36**	6.46
Balances with government authorities (other than income tax)	**183.52**	71.25
Other receivables	**0.03**	0.13
Total	**207.80**	**96.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 12 : INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, packing materials, traded goods, work-in-progress and finished goods are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.

See note 53 for other accounting policies relevant to inventories.

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Inventories		
At lower of cost and net realisable value		
Raw materials	**146.45**	105.37
Includes Goods-in-transit ₹ 0.36 Crore (March 31, 2025: ₹ 0.07 Crore)		
Work-in-progress	**126.19**	121.43
Finished goods	**642.52**	413.51
Includes Goods-in-transit ₹ 38.05 Crore (March 31, 2025: ₹ 43.19 Crore)		
Stock-in-trade	**1,824.97**	1,737.21
Includes Goods-in-transit ₹ 20.35 Crore (March 31, 2025: ₹ 19.82 Crore)		
Stores and spares	**50.29**	48.60
Includes Goods-in-transit Nil (March 31, 2025: ₹ 0.09 Crore)		
Packing materials	**37.77**	28.28
Includes Goods-in-transit Nil (March 31, 2025: ₹ 0.16 Crore)		
Total	**2,828.19**	**2,454.39**

During the year ended March 31, 2026, ₹ 13.49 Crore of provision was writtenback on liquidation of inventories and for the year ended March 31, 2025, ₹ 73.76 Crore was recognised as an expense in the statement of Profit & Loss.

NOTE 13 : CURRENT INVESTMENTS (Carried at fair value through profit and loss (FVTPL))

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Quoted investments		
Axis Overnight Fund - Regular Growth (ONGP) (March 31, 2026: 1,97,187.11 units, March 31, 2025: 74,396.46 units)	**28.01**	10.02
Axis Liquid Fund - Regular Growth(CFGP) (March 31, 2026: 49,812.57 units, March 31, 2025: 5,24,843.77 units)	**15.13**	150.10
HDFC Liquid Fund-Regular Plan-Growth (March 31, 2026: Nil units, March 31, 2025: 1,58,562.98 units)	**-**	79.92
ICICI Prudential Liquid Fund Growth (March 31, 2026: Nil units, March 31, 2025: 14,317.71 units)	**-**	0.54
UTI Liquid Fund (Formerly UTI Liquid Cash Plan) - Regular Plan - Growth (March 31, 2026: Nil units, March 31, 2025: 38,163.82 units)	**-**	16.08
Kotak Liquid Fund Regular Plan Growth (March 31, 2026: Nil units, March 31, 2025: 42,702.02 units)	**-**	22.17
Nippon Inida Liquid Fund Regular Plan Growth Option LFIG (March 31, 2026: Nil units, March 31, 2025: 1,78,365.92 units)	**-**	111.82
Tata Liquid Fund Regular Plan- Growth (March 31, 2026: Nil units, March 31, 2025: 42,457.49 units)	**-**	17.18
Aditya Birla Sun Life Money Market Fund - Growth Regular Plan (formerly known as Aditya Birla Sun Life Floating Rate Fund Short Term Plan) (March 31, 2026: Nil units, March 31, 2025: 55,20,963.47 units)	**-**	200.45
HDFC Money Market Fund - Growth Regular Plan (March 31, 2026: Nil units, March 31, 2025: 1,78,690.11 units)	**-**	100.21
DSP Liquid Fund - Regular Plan - Growth (March 31, 2026: Nil units, March 31, 2025: 4,12,021.38 units)	**-**	151.10
ICICI Money Market Fund - Growth Regular Plan (March 31, 2026: 59,934.61 units, March 31, 2025: 26,92,532.433 units)	**2.38**	100.23
Aditya Birla Sun Life Liquid Fund - Regular Plan - Growth (formerly known as Aditya Birla Sun Life Cash Plus) (March 31, 2026: Nil units, March 31, 2025: 34,70,726.83 units)	**-**	143.65
Kotak Money Market Fund - Growth Regular Plan (Erstwhile Kotak Floater ST) (March 31, 2026: 56,599.55 units, March 31, 2025: 2,35,168.44 units)	**26.58**	103.61
HSBC Liquid Fund - Regular- Growth (Formerly known as HSBC Cash Fund - Growth) (March 31, 2026: Nil units, March 31, 2025: 3,35,965.07 units)	**-**	86.05
Tata Money Market Fund- Regular Plan Growth (March 31, 2026: Nil units, March 31, 2025: 4,41,438.57 units)	**-**	204.49
ABSL Crisil-IBX Financial Services 3 to 6 Months Debt Index Fund- Regular Growth (March 31, 2026: 14,12,199.60 units, March 31, 2025: 9,83,34,136.68 units)	**1.54**	100.54
ABSL Crisil-IBX Financial Services 9 to 12 Months Debt Index Fund- Regular Growth (March 31, 2026: 3,61,17,924.68 units, March 31, 2025: 99,99,500.025 units)	**38.59**	10.04
ABSL Corporate Bond Fund Growth-Direct Plan (formerly known as Aditya Birla Sun Life Short Term Fund) (March 31, 2026: Nil units, March 31, 2025: 44,92,069.76 units)	**-**	50.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
ICICI Savings fund	**52.08**	-
(March 31, 2026: 9,15,269.45 units, March 31, 2025: Nil units)		
ICICI Overnight fund	**25.01**	-
(March 31, 2026: 1,73,362.34 units, March 31, 2025: Nil units)		
HSBC Overnight	**25.01**	-
(March 31, 2026: 1,78,924.55 units, March 31, 2025: Nil units)		
ABSL Savings Fund	**96.13**	-
(March 31, 2026: 16,75,771.28 units, March 31, 2025: Nil units)		
ABSL Liquid Fund	**25.10**	-
(March 31, 2026: 5,71,275.93 units, March 31, 2025: Nil units)		
Axis money market fund	**24.91**	-
(March 31, 2026: 1,66,449.15 units, March 31, 2025: Nil units)		
Axis CRISIL-IBX AAA Bond NBFC - Jun 2027 Index Fund	**25.37**	-
(March 31, 2026: 2,27,62,019.47 units, March 31, 2025: Nil units)		
Axis Treasury Advantage fund	**52.08**	-
(March 31, 2026: 1,53,424.38 units, March 31, 2025: Nil units)		
Nippon money market fund	**33.22**	-
(March 31, 2026: 76,576.74 units, March 31, 2025: Nil units)		
UTI money market fund	**40.56**	-
(March 31, 2026: 1,25,740.74 units, March 31, 2025: Nil units)		
SIDBI Bond - 7.43%	**49.97**	-
(March 31, 2026: 5,000 units, March 31, 2025: Nil units)		
NABARD Bond- 7.58%	**49.98**	-
(March 31, 2026: 5,000 units, March 31, 2025: Nil units)		
Aditya Birla Capital Limited CP 7.75%	**99.23**	-
Axis-Treasury Advantage Fund	**25.81**	-
(March 31, 2026: 79,919 units, March 31, 2025: Nil units)		
ICICI-Savings Fund	**51.74**	-
(March 31, 2026: 9,09,278 units, March 31, 2025: Nil units)		
Nippon-Low Duration Fund	**25.87**	-
(March 31, 2026: 62,277 units, March 31, 2025: Nil units)		

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
ABSL-Savings Fund	**40.84**	-
(March 31, 2026: 7,12,216 units, March 31, 2025: Nil units)		
HDFC-Money Market Fund	**43.42**	-
(March 31, 2026: 72,659 units, March 31, 2025: Nil units)		
Nippon-Money Market Fund	**25.83**	-
(March 31, 2026: 59,549 units, March 31, 2025: Nil units)		
Tata-Money Market Fund	**25.85**	-
(March 31, 2026: 52,352 units, March 31, 2025: Nil units)		
UTI-Money Market Fund	**46.23**	-
(March 31, 2026: 1,43,351 units, March 31, 2025: Nil units)		
Axis-CRISIL-IBX AAA Bond NBFC - Jun 2027 Index Fund	**25.81**	-
(March 31, 2026: 2,31,58,999 units, March 31, 2025: Nil units)		
Aditya Birla Sun Life Liquid Fund - Growth	**17.06**	14.16
(March 31, 2026: 3,88,372 units, March 31, 2025: 3,42,426.00 units)		
Aditya Birla Sunlife Money Manager Fund	**-**	11.16
(March 31, 2026: Nil units, March 31, 2025: 3,07,478.04 units)		
HSBC Money Market Fund - Regular Growth	**-**	4.52
(March 31, 2026: Nil units, March 31, 2025: 17,45,355.15 units)		
Nippon India Money Market Fund - Growth Plan	**1.51**	5.55
(March 31, 2026: 3,472.28 units, March 31, 2025: 13,633.57 units)		
UTI Money Market Fund - Regular Plan - Growth	**11.85**	8.26
(March 31, 2026: 36,742.92 units, March 31, 2025: 27,297.30 units)		
Axis Money Market Fund - Regular Growth	**12.26**	9.03
(March 31, 2026: 81,893.21 units, March 31, 2025: 64,328.66 units)		
Transfer pursuant to Scheme of Arrangement*	**-**	(117.18)
Total	**1,064.97**	**1,594.21**
*As on March 31, 2025, the mutual funds were held in the name of the Company. In accordance with the approved scheme of arrangement, the Management has transffered the related balances to the Resulting Company.		
Aggregate book value of quoted investments	**1,064.97**	1,594.21
Aggregate market value of quoted investments	**1,064.97**	1,594.21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 14 : CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Loans and advances to employees		
Unsecured, considered good	**3.93**	3.20
Total	**3.93**	**3.20**

NOTE 15 : CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Security deposits		
Unsecured, considered good	**99.13**	89.44
Unsecured, considered doubtful	**0.26**	3.74
Provision for doubtful deposits	**(0.26)**	(3.74)
Total	**99.13**	**89.44**

NOTE 16 : TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Group's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Trade receivables from others	**434.96**	412.27
Receivables from related parties (Refer Note - 47)	**8.70**	-
	443.66	**412.27**
Less: Loss Allowances	**(36.62)**	(38.83)
Total	**407.04**	**373.44**

Break-up for security details:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Secured, considered good	**-**	-
Unsecured, considered good	**435.47**	396.29
Unsecured, considered doubtful	**3.51**	12.36
Unsecured, considered doubtful significant increase in credit risk	**0.05**	-
Unsecured, credit impaired	**4.63**	3.61
	443.66	**412.27**
Less: Loss Allowances	**(36.62)**	(38.83)
	407.04	**373.44**

Ageing of Trade Receivables:

₹ in Crore

Particulars	Outstanding as on March 31,2026 (for following periods from due date of payments)						
	Not Due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	204.36	165.02	32.81	15.67	3.50	14.11	435.47
(ii) Undisputed Trade Receivables – considered doubtful	-	-	0.95	0.59	0.10	1.87	3.51
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed - Credit Impaired	0.11	0.56	1.04	0.44	0.01	-	2.16
(v) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	0.02	0.03	0.05
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	2.47	2.47
Total	**204.47**	**165.58**	**34.80**	**16.70**	**3.63**	**18.48**	**443.66**
Less: Loss Allowances (including Expected credit loss)							(36.62)
Net Trade Receivables							**407.04**
Expected credit loss provision	0.01	0.99	5.58	5.66	2.13	14.05	28.42
Expected credit loss rate	**0.00%**	**0.60%**	**17.01%**	**36.12%**	**60.86%**	**99.58%**	**6.53%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payments)						
	Not Due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	80.93	235.82	56.59	3.14	1.72	18.10	396.30
(ii) Undisputed Trade Receivables – considered doubtful	-	0.50	1.34	8.56	1.93	0.03	12.36
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed - Credit Impaired	0.11	0.90	0.10	0.02	2.48	-	3.61
(v) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**81.04**	**237.22**	**58.03**	**11.72**	**6.13**	**18.13**	**412.27**
Less: Loss Allowances (including Expected credit loss)							(38.83)
Net Trade Receivables							**373.44**
Expected credit loss provision	0.10	1.61	1.15	0.26	1.69	18.13	22.94
Expected credit loss rate	**0.12%**	**0.68%**	**2.03%**	**8.29%**	**98.17%**	**100%**	**5.79%**

No trade or other receivables is due from directors or other officers of the Group either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 47.

Trade receivables are generally non-interest bearing and the credit period generally between 30 to 180 days.

Movement in loss allowance

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	**38.83**	**63.69**
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	**7.00**	5.34
Specific provision (reversed)/ made	**(9.21)**	(0.12)
Transfer pursuant to Scheme of Arrangement (Refer Note - 41)	**-**	(30.08)
As at the end of the year	**36.62**	**38.83**

NOTE 17 : CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
Current accounts	**49.45**	156.06
Deposit accounts (original maturity less than 3 months)	**-**	581.04
Balances with credit card companies	**5.04**	10.74
Balances with e-wallet companies	**2.71**	2.61
Cash on hand	**9.76**	16.33
Cheques/ drafts on hand	**-**	0.03
Total	**66.96**	**766.81**

The Group has undrawn committed borrowing facility available to the extent of ₹ 1,174.82 Crore as at March 31, 2026 (March 31, 2025: ₹ 2,383.25 Crore). Further the Board has approved to raise ₹ 2,000 Crore through commercial papers as at March 31, 2026 (March 31, 2025 : ₹ 2,000.00 Crore) whereas the group has raised Nil as at March 31, 2026 (March 31, 2025 : Nil Crore).

Net debt reconciliation:

Particulars	Investing Activities	Financing activities			Net Debt
	Other Assets (Includes Cash and cash equivalents, Bank balance other than cash and cash equivalents and Current investments)	Borrowings	Supplier's Credit	Lease liabilities	
Balance as at March 31, 2024	**1,343.10**	**4,205.17**	**147.00**	**5,246.22**	**(8,255.29)**
Pursuant to business combinations	16.00	1.38	-	49.88	
Additions/(Terminations) (net)	-	-	-	1,449.10	
Interest Expenses on Lease liabilities	-	-	-	504.32	
Gain on Investments	60.40	-	-	-	
Transferred pursuant to Scheme of Arrangement	(170.82)	(952.19)	-	(1,980.26)	
Others	-	0.01	-	-	
Cash Flows (net)	1,118.60	(1,815.79)	(37.50)	(1,691.06)	
Balance as at March 31, 2025	**2,367.28**	**1,438.58**	**109.50**	**3,578.20**	**(2,759.00)**
Additions/(Terminations) (net)	-	-	-	1,697.28	
Interest Expenses on Lease liabilities	-	-	-	368.53	
Gain on Investments	86.96	-	-	-	
Transferred pursuant to Scheme of Arrangement	-	-	-	-	
Others	-	1.50	-	-	
Cash Flows (net)	(908.75)	254.52	22.23	(1,149.50)	
Balance as at March 31, 2026	**1,545.49**	**1,694.60**	**131.73**	**4,494.51**	**(4,775.35)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 18 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Earmarked deposits		
Current accounts	**8.91**	0.44
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)#	**404.64**	5.81
Total	**413.55**	**6.25**

Bank deposits amounting to ₹ 3.90 Crore (March 31, 2025 ₹ 5.68 Crore) of Sabyasachi Calcutta LLP (a subsidiary of the Company) are held as margin money under lien to banks for assuring guarantees, Custom/Sales tax, term loan and against term loan/working capital facilities and bank deposits amounting to ₹ 0.14 Crore (March 31, 2025 ₹ 0.13 Crore) of Aditya Birla Digital Fashion Ventures Limited (a subsidiary of the Company) are held as lien by banks against term loan from bank, bank guarantees and credit card.

NOTE 19 : CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	**16.92**	18.89
Foreign Exchange Forward Contracts	**8.27**	-
Interest accrued on deposits	**22.16**	1.48
Other receivables	**6.20**	0.70
Total	**53.55**	**21.07**

NOTE 20 : OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital advances	**0.93**	1.05
Prepayments	**63.54**	39.99
Advance to suppliers	**186.74**	141.53
Export incentives	**-**	0.01
Balances with government authorities (other than income tax)	**615.69**	471.06
Government grant receivables	**-**	-
Insurance claim receivables	**0.06**	0.06
Right to return assets	**68.74**	75.37
Other receivables	**28.35**	23.08
Total	**964.05**	**752.15**

NOTE 21 : EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
Equity share capital				
As at the beginning of the year	**2,03,60,00,000**	**2,036.00**	2,00,00,00,000	2,000.00
Increase during the year	**-**	**-**	3,60,00,000	36.00
As at the end of the year	**2,03,60,00,000**	**2,036.00**	**2,03,60,00,000**	**2,036.00**
Preference share capital				
Preference shares of ₹ 10/- each	**1,00,00,000**	**10.00**	1,00,00,000	10.00
Preference shares of ₹ 100/- each	**15,000**	**0.15**	15,000	0.15
Preference shares of ₹ 1/- each	**2,00,00,000**	**2.00**	2,00,00,000	2.00
As at the end of the year	**3,00,15,000**	**12.15**	**3,00,15,000**	**12.15**

Issued equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
	-	**-**		
As at the beginning of the year	**1,22,04,66,450**	**1,220.47**	1,01,52,15,146	1,015.22
Increase during the year towards:				
Issue of equity shares on preferential basis [Refer Note- 21(iii)]	**-**	**-**	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note-21(vii)]	**-**	**-**	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation (Refer Note 21(v))	**-**	**-**	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	**2,77,246**	**0.28**	4,82,075	0.48
As at the end of the year	**1,22,07,43,696**	**1,220.75**	**1,22,04,66,450**	**1,220.47**

Subscribed and paid-up equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in Crore	No. of shares	₹ in Crore
As at the beginning of the year	**1,22,02,60,946**	**1,220.26**	1,01,50,09,642	1,015.01
Increase during the year towards:				
Issue of equity shares on preferential basis [Refer Note- 21(iii)]	**-**	**-**	8,04,43,117	80.45
Issue of equity shares to qualified institutional buyers [Refer Note-21(vii)]	**-**	**-**	6,85,83,059	68.58
Equity shares issued pursuant to amalgamation (Refer Note 21(v))	**-**	**-**	5,57,43,053	55.74
Exercise of Options (Refer Note - 43)	**2,77,246**	**0.28**	4,82,075	0.48
As at the end of the year	**1,22,05,38,192**	**1,220.54**	**1,22,02,60,946**	**1,220.26**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(i) Shares held by Promoters :

Shares held by Promoters as at March 31, 2026			% Change during the year
Promoter name	**No. of Shares**	**% of total shares**	
Birla Group Holdings Private Limited	**21,23,54,965**	**17.40**	**-1.99%**
IGH Holdings Private Limited	**13,64,72,680**	**11.18**	**0.00%**
Grasim Industries Limited	**9,75,93,931**	**8.00**	**0.00%**
Hindalco Industries Limited	**5,02,39,794**	**4.12**	**0.00%**
Pilani Investment and Industries Corporation Limited	**6,92,22,856**	**5.67**	**2.00%**
Mrs. Rajashree Birla	**8,63,696**	**0.07**	**0.00%**
Birla Industrial Finance (India) Limited	**1,66,508**	**0.01**	**0.00%**
Birla Consultants Limited	**1,66,422**	**0.01**	**0.00%**
ABNL Investment Limited	**77,430**	**0.01**	**0.00%**
Birla Industrial Investments (India) Limited	**34,666**	**0.00**	**0.00%**
Mr. Kumar Mangalam Birla	**12,51,589**	**0.10**	**0.00%**
Mrs. Neerja Birla	**20,270**	**0.00**	**0.00%**
Mrs. Vasavadatta Bajaj	**19,542**	**0.00**	**0.00%**
ARYAMAN VIKRAM BIRLA	**4,25,000**	**0.03**	**0.03%**
Aditya Vikram Kumar Mangalam Birla HUF	**1,780**	**0.00**	**0.00%**
Total	**56,89,11,129**	**46.60**	

Shares held by Promoters as at March 31, 2025			% Change during the year
Promoter name	**No. of Shares**	**% of total shares**	
Birla Group Holdings Private Limited	23,66,19,965	19.39	2.49%
IGH Holdings Private Limited	13,64,72,680	11.18	-2.26%
Grasim Industries Limited	9,75,93,931	8.00	-1.62%
Umang Commercial Company Private Limited	-	-	-6.41%
Hindalco Industries Limited	5,02,39,794	4.12	-83.00%
Pilani Investment and Industries Corporation Limited	4,48,22,856	3.67	3.28%
Mrs. Rajashree Birla	8,63,696	0.07	-0.01%
Birla Industrial Finance (India) Limited	1,66,508	0.01	0.00%
Birla Consultants Limited	1,66,422	0.01	0.00%
ABNL Investment Limited	77,430	0.01	0.00%
Birla Industrial Investments (India) Limited	34,666	0.00	0.00%
Mr. Kumar Mangalam Birla	12,51,589	0.10	0.10%
Mrs. Neerja Birla	20,270	0.00	0.00%
Mrs. Vasavadatta Bajaj	19,542	0.00	0.00%
Aditya Vikram Kumar Mangalam Birla HUF	1,780	0.00	0.00%
Total	**56,83,51,129**	**46.55**	

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face 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 at 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 to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

(iii) Preferential Issue to to the Promoter Group and Qualified Institutional Buyers under Non-Promoter category*

On January 15, 2025, the Board of Directors of the Company approved the Preferential Issue aggregating to ₹ 2,378.75 crores to the Promoter Group and to certain Qualified Institutional Buyers under Non-Promoter category, subject to the approval of the shareholders and other necessary approvals, If any.

The shareholders of the Company at their meeting held on February 13, 2025, approved the issue of:

i. 4,08,33,990 equity shares of face value of ₹ 10 each at issue price of ₹ 317.75 each (including premium of ₹ 307.75 each), aggregating to ₹ 1,297.50 crores to the Promoter/ Promoter Group category and

ii. 3,96,09,127 equity shares of face value of ₹ 10 each at issue price of ₹ 272.98 each (including premium of ₹ 262.98 each), aggregating to ₹ 1,081.25 crores to Qualified Institutional Buyers under the Non-Promoter category.

The Preferential Issue Committee of board of directors of the Company, at the meeting held on February 24, 2025, approved the allotment of the above-mentioned equity shares in accordance with the approval of the shareholders of the Company to the Promoter Group and to the Qualified Institutional Buyers under Non-Promoter category.

(iv) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	**% of paid-up share capital**	**No. of shares held**	**% of paid-up share capital**
Birla Group Holdings Private Limited	**21,23,54,965**	**17.40%**	23,66,19,965	19.39%
IGH Holdings Private Limited	**13,64,72,680**	**11.18%**	13,64,72,680	11.18%
Grasim Industries Limited	**9,75,93,931**	**8.00%**	9,75,93,931	8.00%
Flipkart Investments Private Limited	**-**	**-**	7,31,70,731	6.00%
Caladium Investment Pte. Ltd.	**-**	**-**	7,60,17,316	6.23%
Pilani Investment and Industries Corporation Limited	**6,92,22,856**	**5.67%**	-	-

(v) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting year:

The Board of Directors at its meeting held on May 5 2023, approved a draft Scheme of Amalgamation by way of merger by absorption ("Scheme") between TCNS Clothing Co. Limited (Transferor Company) and Aditya Birla Fashion and Retail Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The Scheme was sanctioned by the Hon'ble NCLT on August 2, 2024 and the certified copy of the order was received on August 16, 2024. The Transferor and Transferee Company filed the certified copies of the order and the Scheme with the Registrar of Companies, Mumbai, on September 1, 2024 and accordingly, the Scheme has become effective from the September 1, 2024 ("Effective Date").

On September 5, 2024, the Company allotted 5,57,43,053 fully paid-up equity shares of face value ₹ 10/- each, to the eligible shareholders of TCNS as on the record date i.e. September 3, 2024, in the share exchange ratio of 11 fully paid-up equity shares of the Company of face value ₹ 10/- each for every 6 fully paid-up equity shares of TCNS of face value ₹ 2/- each held by the non-controlling shareholders.

There have been no other issue of shares for consideration other than cash made by the Company during a period 5 years immediately preceeding the reporting year.

(vi) Shares reserved for issue under Employee Stock Option Plan

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Group, refer Note - 43.

(vii) Qualified Institutional Placement*

The board of directors of the Company at their meeting held on January 15, 2025 approved issuance of equity shares by way of Qualified Institutions Placement ("QIP') for an amount not exceeding ₹ 2,500 crores. Consequently, the Company has raised ₹ 1,860.66 crores through QIP on January 21, 2025. The QIP Committee of board of directors of the Company, at the meeting held on January 21, 2025, approved the allotment of 6,85,83,059 equity shares of face value of ₹ 10/- each to eligible Investors at an issue price of ₹ 271.30 per equity share (including a premium of ₹ 261.30 per equity share).

*Issue prices referred to in the notes (iii) and (iv) above are prior to demerger of the MFL division pursuant to Scheme of Arrangement (Refer Note - 51)

NOTE 22 : OTHER EQUITY

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Share application money pending allotment		
As at the beginning of the year	**0.31**	0.04
Exercise price received during the year	**-**	0.27
Issue of shares upon exercise	**(0.27)**	-
As at the end of the year	**0.04**	**0.31**
Share suspense account		
As at the beginning of the year	**0.02**	0.02
As at the end of the year	**0.02**	**0.02**
Reserves and surplus		
Securities premium		
As at the beginning of the year	**9,271.48**	5,251.48
Equity shares under preferential Issue (net off share issue expenses of ₹ 27.55 Crore) [Refer Note- 21(iii)]	**-**	2,258.97
Equity shares under QIP Issue (net off share issue expenses of ₹ 39.34 Crore) [Refer Note- 21(vii)]	**-**	1,764.52
Share issue expenses	**-**	(12.53)
Issue of shares upon exercise of options	**2.13**	9.04
As at the end of the year	**9,273.61**	**9,271.48**
Retained earnings		
As at the beginning of the year	**(4,223.14)**	(2,224.91)
Loss for the year	**(775.89)**	(375.82)
Difference between redemption amount of Put option liabilities and carrying amount of Non-controlling interest [Refer Note - 24]	**(216.39)**	(278.69)
Acquisition of additional stake in subsidiary	**(2.50)**	-
Share issue expenses of Subsidiary	**(11.59)**	-
Resultant company shares held by ESOP trust	**(62.25)**	-
Net asset transferred in accordance to scheme of arrangement [Refer Note - 41]	**-**	(1,343.72)
As at the end of the year	**(5,291.76)**	**(4,223.14)**
Share options outstanding account		
As at the beginning of the year	**40.92**	79.27
Share based payment expense	**13.14**	12.68
Issue of shares upon exercise of options	**(3.51)**	(9.54)
Net asset transferred in accordance to scheme of arrangement [Refer Note - 41]	**-**	(41.49)
As at the end of the year	**50.55**	**40.92**
Treasury shares (Refer Note - 43)		
As at the beginning of the year	**(104.16)**	(111.31)
Treasury shares issued/ (purchased) by ESOP Trust	**12.49**	7.15
Resultant company shares held by ESOP trust	**62.25**	-
As at the end of the year	**(29.42)**	**(104.16)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Capital reserve		
As at the beginning of the year	**619.04**	22.89
Issue of equity shares to Non- controlling shareholders of TCNS, upon amalgamation [Refer Note 21(v)]	**-**	593.25
Sale of treasury shares in open market	**(2.81)**	-
Cancellation of Investment in equity shares of Resultant Company	**(0.05)**	-
Issue of shares upon exercise of options	**0.57**	2.90
As at the end of the year	**616.75**	**619.04**
Other equity		
As at the beginning of the year	**(14.39)**	(14.39)
Acquisition of NCI share	**-**	-
As at the end of the year	**(14.39)**	**(14.39)**

₹ in Crore

		As at March 31, 2026	As at March 31, 2025
Other comprehensive income			
Remeasurement gains/ (losses) on defined benefit plans			
As at the beginning of the year		**(8.67)**	(3.66)
Gains/ (losses) during the year		**3.82**	(5.01)
As at the end of the year		**(4.85)**	**(8.67)**
Fair value gains/ (losses) on equity instruments			
As at the beginning of the year		**9.99**	7.49
Gains/ (losses) during the year		**5.57**	2.50
As at the end of the year		**15.56**	**9.99**
Foreign currency translation reserve			
As at the beginning of the year		**0.44**	0.24
Gains/ (losses) during the year		**1.95**	0.20
As at the end of the year		**2.39**	**0.44**
Effective portion of cashflow hedge			
As at the beginning of the year		**0.07**	0.21
Gains/ (losses) during the year		**(0.05)**	(0.14)
As at the end of the year		**0.02**	**0.07**
Other equity attributable to owners of the Company	**(A)**	**4,618.52**	**5,591.91**

₹ in Crore

		As at March 31, 2026	As at March 31, 2025
Non-controlling interest			
As at the beginning of the year		**1.12**	687.23
Profit/ (Loss) during the year		**(52.10)**	(80.12)
Non-controlling interest recognised as at the beginning of the year		**1,378.61**	907.44
NCI holder's share in TCNS acquired through issue of equity shares [Refer Note 21(v)]		**-**	(648.99)
Difference between redemption amount of Put option liabilities and carrying amount of Non-controlling interest [Refer Note - 24]		**216.39**	278.69
Additional contribution by Non-controlling shareholders/partners		**-**	22.44
Non-controlling interest recognised during the year		**437.32**	
Non-controlling interest recognised pursuant to business combinations during the year (Refer Note- 46)		**-**	213.04
Non-controlling interest derecognised at the end of the year		**(1,557.50)**	(1,378.61)
As at the end of the year	**(B)**	**423.84**	**1.12**
Total other equity	**(A+B)**	**5,042.36**	**5,593.03**

Other equity

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Share application money pending allotment	**0.04**	0.31
Share suspense account	**0.02**	0.02
Reserves and surplus		
Securities premium	**9,273.61**	9,271.48
Retained earnings	**(5,291.76)**	(4,223.14)
Share options outstanding account	**50.55**	40.92
Treasury shares (Refer Note - 43)	**(29.42)**	(104.16)
Capital reserve	**616.75**	619.04
Other equity	**(14.39)**	(14.39)
Other comprehensive income		
Remeasurement gains/ (losses) on defined benefit plans	**(4.85)**	(8.67)
Fair value gains/ (losses) on equity instruments	**15.56**	9.99
Foreign currency translation reserve	**2.39**	0.44
Effective portion of cashflow hedge	**0.02**	0.07
Other equity attributable to owners of the Company	**4,618.52**	**5,591.91**
Non-controlling interest	**423.84**	**1.12**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The description of the nature and purpose of each reserve within other equity is as follows:

1. Share suspense account

As per the Scheme of Arrangement, the Non-Resident shareholders of Aditya Birla Nuvo Limited ("ABNL"), holding shares on repatriation basis, are allotted shares upon receiving necessary regulatory approval(s). The amount lying in share suspense account pertains to shares not allotted on account of pending requisite approvals.

2. Securities premium

Securities premium is used to record the premium on issue of shares, and is utilised in accordance with the provisions of the Companies Act, 2013.

3. Retained earnings

Retained earnings comprise of the Group's accumulated undistributed profits/ (losses) after taxes.

4. Share options outstanding account

The fair value of the equity-settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

5. Treasury shares (Refer Note - 43)

The equity shares of the Company have been acquired from open markets for Employee Stock Option Scheme 2019 and is held by ABFRL Employee Welfare Trust (ESOP Trust) at cost. Trust allot shares to employees at the time of exercise of stock options by the employees.

6. Capital reserve

Capital reserve represents the reserve arising from the difference between the share capital issued and the net assets acquired upon the amalgamation of TCNS Clothing Co. Limited with the Company, as well as from the forfeiture of rights shares.

7. Remeasurement gains/ (losses) on defined benefit plans

The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Consolidated Statement of Profit and Loss.

8. Fair value gains/ (losses) on equity instruments

It represents the cumulative gains/(losses) arising on the fair valuation of equity shares (other than investments in subsidiaries, which are carried at cost) measured at fair value through other comprehensive income. This fair value gains/ (losses) will not be reclassified subsequently to Consolidated Statement of Profit and Loss.

9. Foreign currency translation reserve

The translation reserve comprise foreign currency exchange differences arising from the translation of the financial statements of foreign operations. This gains/ (losses) will be reclassified subsequently to Consolidated Statement of Profit and Loss.

10. General Reserve

The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

NOTE 23 : NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	Effective interest rate	Maturity	As at March 31, 2026	As at March 31, 2025
	% p.a.		₹ in Crore	₹ in Crore
Redeemable non-convertible debentures				
Redeemable non-convertible debentures - Series 10 (Unsecured)	7.71%	September 12, 2030	**744.89**	743.38
Redeemable non-convertible debentures (Unsecured)	8.80%	August 26, 2027	**174.82**	174.81
Redeemable non-convertible debentures (Unsecured)	8.50%	August 08, 2027	**99.61**	
Term loans from banks				
Term loan-FCTL (Secured)[1]	Reference Rate+1.90%	November 23, 2026	**-**	6.82
Term loan (Secured)[2]	8.21%	December 15, 2028	**62.07**	36.81
Term loan from ICICI Bank (Secured)[3]	1 Year MCLR	December 31, 2026	**-**	20.00
Term loan from Bank (Secured)[4]	1 Year MCLR + Spread	July 02, 2028	**0.47**	0.78
Term loan from ICICI Bank (Secured)[5]	9.10%	March 31, 2027	**-**	4.98
Term loan from ICICI Bank (Secured)[6]	1 Year MCLR + Spread	April 30, 2026	**-**	1.88
Term loan from others				
Other borrowings (Unsecured)[7]	8.00% - 14.37%	March 14, 2025 - February 15, 2027	**-**	0.14
Term loan from Aditya Birla Finance Limited (Unsecured)[8]	9.50%	December 31, 2026	**-**	9.04
Term loan from Aditya Birla Finance Limited (Unsecured)[9]	9.50%	January 28, 2028	**7.00**	-
Term loan from Aditya Birla Finance Limited (Unsecured)	9.75%	May 15, 2026	**2.02**	1.69
Term loan from Aditya Birla Finance Limited (Unsecured)	9.45% - 9.60%	July 15, 2026	**-**	148.00
Preference shares				
Non-Cumulative Non-Convertible Redeemable Preference Shares (NCRPS)[12]	8.00%	March 26, 2029	**0.56**	0.56
Total			**1,091.44**	**1,148.88**

Current maturities of long-term borrowings

	Effective interest rate	Maturity	As at March 31, 2026	As at March 31, 2025
	% p.a.		₹ in Crore	₹ in Crore
Current maturities of long-term borrowings				
Redeemable non-convertible debentures (Unsecured)	8.80%	August 26, 2027	**14.63**	8.24
Term loan from ICICI Bank (Secured)[10]	8.75%	March 31 ,2026	**-**	2.50
Term loan from Aditya Birla Finance Limited (Unsecured)[8]	9.50%	December 31, 2026	**9.03**	0.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

	Effective interest rate	Maturity	As at March 31, 2026	As at March 31, 2025
	% p.a.		₹ in Crore	₹ in Crore
Term loan-FCTL (Secured)[1]	Reference Rate+1.90%	November 23, 2026	**7.54**	9.09
Term loan from ICICI Bank (Secured)[3]	1 Year MCLR	December 31, 2026	**20.00**	20.00
Other borrowings (Unsecured)[7]	8.00% - 14.37%	March 14, 2025 - February 15, 2027	**0.14**	0.23
Term loan (Secured)[2]	8.21%	December 15, 2028	**23.38**	11.12
Term loan from ICICI Bank (Secured)[5]	9.10%	March 31, 2027	**4.99**	5.00
Term loan from Bank (Secured)[4]	1 Year MCLR + Spread	July 02, 2028	**0.31**	-
Term loan from ICICI Bank (Secured)[6]	1 Year MCLR + Spread	April 30, 2026	**1.88**	7.50
Term loan from Aditya Birla Finance Limited (Unsecured)	9.75%	May 15, 2026	**9.67**	3.31
Term loan from Aditya Birla Finance Limited (Unsecured)	9.45% - 9.60%	July 15, 2026	**148.00**	-
Term loan from Aditya Birla Finance Limited (Unsecured)	9.00%	August 15, 2027	**50.00**	-
Term loan from Aditya Birla Finance Limited (Unsecured)[11]	9.50%	December 28, 2026	**5.00**	-
Total (included in Current Borrowings)			**294.57**	**67.95**
*Net off unamortised charges				
Aggregate secured borrowings			**125.64**	126.47
Aggregate unsecured borrowings			**1,260.37**	1,090.36

Notes:

i) Redeemable non-convertible debentures - Series 9 of ₹ 500 Crore has been transferred to Aditya Birla Lifestyle Brands Limited pursuant to Scheme of Arrangement.

ii) On September 12, 2024, the Company issued Redeemable non-convertible debentures - Series 11 ('NCD Series 11') of ₹ 500 Crore. During March 2025, the Company has bought back the NCD Series 11 from the open market and accordingly the liability stands extinguished.

iii) The Group has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

iv) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

v) The Group has registered all the charges with Registrar of Companies within the statutory period.

Details of security and terms of repayment

1 Foreign Currency Term Loan (FCTL in US Dollars) from a Bank taken by the Subsidiary of the Company (M/s Sabyasachi Inc.) is secured by an irrevocable Standby Letter of Credit backed by its Parent entity (Sabyasachi Calcutta LLP) and charge over all moveable and immovable Property, plant and equipment of the Subsidiary. The loan is repayable in 16 equal quarterly instalments starting from March 31, 2023.

2 Term Loan from taken by Sabyasachi Calcutta LLP (a subsidiary of the Company)banks secured by first pari-passu charge on entire moveable fixed assets of the LLP both present and future.:

a) ICICI Bank amounting to ₹ 27.67 crores (Sanction amount ₹ 50 crores)

b) Axis Bank amounting to ₹ 29.99 crores (Sanction amount ₹ 35 crores)

c) Bandhan Bank amounting to ₹ 27.79 crores (Sanction amount ₹ 95 crores)

3 Term loan has been taken from ICICI Bank which is secured by way of charge over movable Property, plant and equipment of Indivinity Clothing Retail Private Limited(a subsidiary of the Company). The loan is repayable in 10 equal quarterly instalments starting from quarter ended November 2024.

4 Rupee term loan secured by way of first charge created by hypothecation of immovable property and current assets of Aditya Birla DIgital Fashion Ventures Limited (a subsidiary of the Company) and is repayable in quarterly installments starting from April 02, 2024.

5 Term loan has been taken from ICICI Bank which is secured by way of charge over current assets and movable fixed assets of House of Masaba (a subsidiary of the Company).

6 Term loan has been taken from ICICI Bank which is secured by way of charge by a first pari passu charge on all movable fixed assets of Jaypore E-commerce private limited (a subsidiary of the Company). The loan is repayable in 8 equal quarterly instalments starting from quarter ended June 2024.

7 Loans amounting to ₹ 10.98 Crore is repayable in 20 equal quarterly instalments commencing from March 2020 and loans amounting to ₹ 3.85 Crore is repayable in 48-60 equal monthly instalment commencing on various dates through March 14, 2025 to October 14, 2027.

8 The term loan is taken from Aditya birla Finance limited by Finesse International Design Private Limited (a subsidiary of the Company). The loan is repayable in 10 structured monthly instalments commencing from March 2026, i.e., after the moratorium period of 12 months.

9 The term loan is taken from Aditya birla Finance limited by Finesse International Design Private Limited (a subsidiary of the Company). The loan is repayable in 10 structured monthly instalments commencing from April 2027, i.e., after the moratorium period of 12 months.

10 The loan is secured by way of first charge created by hypothecation of movable property, plant and equipment and current assets of Finesse International Design Private Limited (a subsidiary of the Company) both present and future. The loan is repayable in 8 structured quarterly instalments commencing from June 2024.

11 The Company has opted for this loan for meeting the working capital requirement. The loan is repayable in 10 structured monthly instalments commencing from April 2027, i.e., after the moratorium period of 12 months.

12 The Company issued 11,10,000 8% NCRPS to Birla Management Centre Services Private Limited (BMCSPL) to redeem its existing preference shares. Pursuant to scheme of arrangement, 5,55,000 of these NCRPS were transferred to Aditya Birla Lifestyle Brands Limited.

NOTE 24 : NON-CURRENT FINANCIAL LIABILITIES- OTHERS

Accounting Policy - Non-controlling interest put option

Where the group does not have present ownership interest in the shares held by the non-controlling shareholders, measured at either fair value or at the proportionate share of the acquiree's identifiable net assets, and the related put option held by the group over such non-controlling shares remains unexercised, the group accounts for the non-controlling interest and the written put option at the end of each reporting period as below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

a. Group determines the amount that would have been recognised for the non-controlling interest, including an allocation to reflect the share of profit or loss, share of changes in other comprehensive income and dividends (if any) declared during the reporting period;

b. The group de-recognises the non-controlling interest as if it was acquired at the end of the reporting period;

c. The group recognises a financial liability in respect of the written put option at the present value of the amount payable on exercise of the non-controlling interest; and

d. Difference between b) and c) is accounted for as an equity transaction.

Upon exercise of the put option over the non-controlling interest the amount recognised as financial liability is extinguished by payment of the exercise price.

If the put option over the non-controlling interest remains unexercised, non-controlling interest is recognised at the amount it would have been, as if the put option had never been granted (i.e. measured initially at the date of the business combination, and remeasured for subsequent allocations of profit or loss, other comprehensive income and changes in equity attributable to the non-controlling interest). The financial liability is derecognised, with a corresponding credit to the same component of equity.

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Non-controlling interest put option*	**1,525.04**	1,378.61
Derivative instruments	**-**	7.60
Liability towards license rights	**33.98**	31.38
Total	**1,559.02**	**1,417.59**

*During the year ended March 31, 2021, the Company acquired 51% stake in Sabyasachi Calcutta LLP by entering into an agreement on February 24, 2021. Under the terms of the Agreement, the Company has provided a Put Option to Mr. Sabyasachi Mukherjee to sell his entire holding of 49% to the Company over a period of fourteen years starting from the end of five years from the aforesaid date and thereafter in three tranches, should an initial public offer of the organisation (after conversion to a company) does not take place. In respect of the balance 49% held by promoter of Sabyasachi Calcutta LLP, the Company has accounted the same as non-current financial liability considering the put option. This qualifies as a liability under Ind AS since the Company does not have an unconditional right to not purchase the interest as per the terms of the Agreement. The Non-Controlling Interest has been recorded at the present value of the expected future cash outflows based on an independent valuation performed by the Company's appointed independent valuer.

NOTE 25 : NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Employee benefit obligation		
Provision for compensated absence	**2.98**	1.99
Provision for gratuity (Refer Note - 42)	**112.83**	79.53
Stock Appreciation Rights (SAR)	**7.02**	3.67
Total	**122.83**	**85.19**

NOTE 26 : OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Deferred income	**3.20**	4.33
Total	**3.20**	**4.33**

NOTE 27 : CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from banks		
Cash credit/ Working capital demand loan (Secured)[1]	**218.12**	172.39
Cash credit/ Working capital demand loan (Unsecured)	**90.47**	13.66
Loans repayable on demand from others (Unsecured)	**-**	35.70
Current maturities of long-term borrowings (Refer Note - 23)	**294.57**	67.95
Total current borrowings	**603.16**	**289.70**
Aggregate secured borrowings	**281.21**	227.60
Aggregate unsecured borrowings	**321.94**	62.10

Details of security

1. Current borrowings are secured by way of first pari passu charge on the current assets and second pari passu charge on the movable and immovable assets of the respective entities of the Group.

2. The Sabyasachi Calcutta LLP (a subsidiary of the Company) had availed Gold Metal Loan from ICICI Bank as a part of its fund based sanction limit of ₹ 30 Crore for Jewellery manufacturing (domestic and export).The interest was charged monthly at notional value of gold linked to international gold lease rate. The loan was repaid during the year.

3. Interest rate for Loans repayable on demand from others ranges from 8% to 10%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 28a : TRADE PAYABLES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	**135.10**	99.81
Total outstanding dues of creditors other than micro enterprises and small enterprises*	**2,218.02**	2,032.98
Total	**2,353.12**	**2,132.79**

* Includes payable to related parties, for terms and conditions with related parties (Refer Note - 47).

1. Ageing of Trade Payables:

₹ in Crore

Particulars		Outstanding as on March 31,2026 (for following periods from due date of payment)					
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	64.44	65.68	4.64	0.28	0.06	135.10
(ii)	Others	1,693.63	424.97	88.27	5.43	5.73	2,218.02
(iii)	Disputed dues – MSME	-	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-	-

Particulars		Outstanding as on March 31,2025 (for following periods from due date of payment)					
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	65.80	32.34	0.81	0.75	0.11	99.81
(ii)	Others	1,674.70	333.30	17.05	3.32	4.61	2,032.98
(iii)	Disputed dues – MSME	-	-	-	-	-	-
(iv)	Disputed dues – Others	-	-	-	-	-	-

NOTE 28b : SUPPLIER'S CREDIT

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Supplier's credit	**131.73**	109.50
Total	**131.73**	**109.50**

Terms and Conditions of Supplier's Financing Arrangements:

The Company has entered into a supplier financing arrangement with third-party finance providers (financial institution). The company has mainly two types of arrangements which are included under Trade payables (refer Note 28a) and Supplier's credit (refer Note 28b). The terms are as follows:

Arrangement included under Trade payables –

- The Company facilitates submission of invoices of those suppliers who have opted for early settlement to the financial institution for payments.
- The cost of financing are negotiated by the suppliers with the financial institution and is borne by the suppliers.
- The Company pays the financial institution on the contractual due date agreed with the vendors. The Company does not obtain any extended credit terms from the financial institution beyond the contractual due date agreed with the vendors.

Arrangement included under Supplier's credit-

- The Company facilitates submission of invoices of suppliers to the third-party finance provider for processing of payment on the due date of invoice.
- Charges from the date of settlement to the supplier till the date of payment to the financial institution by the Company is borne by the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of Financial Liabilities		
Presented in Trade payables (Supplier Financing arrangements) (refer Note 28a)	**885.19**	NA*
- of which suppliers have received payment from finance provider	**799.16**	NA*
Presented in Supplier's Credit (if any) (refer Note 28b)	**131.73**	109.50
- of which suppliers have received payment from finance provider	**131.73**	109.50

Supplier's credit amounting to ₹ 109.50 crores which was classified under trade payables at March 31, 2025 has been reclassified and presented separately in Consolidated Balance Sheet, to confirm with the current years classification. The change does not have a material impact on the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 29 : CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	**32.46**	29.26
Creditors for capital supplies/ services	**78.11**	67.42
Derivative contracts	**0.21**	0.03
Employee Payable	**125.57**	110.47
Liability towards license rights	**0.73**	0.13
Non-controlling interest put option	**32.46**	-
Others	**8.30**	6.77
Total	**277.84**	**214.08**

NOTE 30 : CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Employee benefit obligation		
Provision for compensated absences	**60.98**	51.01
Provision for gratuity (Refer Note - 42)	**11.45**	7.49
Stock Appreciation Rights (SAR)	**20.63**	21.08
Provision for pending litigations (Refer Note - 45)	**2.51**	2.17
Total	**95.57**	**81.75**

Movement of provision for pending litigations during the year:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening balance	**2.17**	63.60
Add: pursuant to business combination during the year	**-**	-
Add: provision made during the year	**0.34**	0.88
Less: provision utilised during the year	**(0.00)**	(10.49)
Less: provision reversed during the year	**-**	(1.79)
Less: Transfer to laibilities held for distribution	**-**	(50.03)
Closing balance	**2.51**	**2.17**

NOTE 31 : OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Advances received from customers	**93.88**	97.10
Deferred revenue*	**17.10**	14.97
Other advances received	**1.29**	0.03
Statutory dues (other than income tax)	**42.23**	61.15
Refund liabilities	**173.11**	138.40
Deferred income	**0.41**	0.77
Total	**328.02**	**312.42**

*** Deferred revenue**

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	**14.97**	**20.89**
Deferred during the year	**33.80**	77.19
Released to the Consolidated Statement of Profit and Loss	**(31.67)**	(76.74)
Transfer to liabilities held for distribution	**-**	(6.37)
As at the end of the year	**17.10**	**14.97**

The deferred revenue relates to the accrual and release of customer loyalty points, according to the loyalty programme of respective businesses. As at March 31, 2026, the estimated liability towards unredeemed points amounts to ₹ 17.10 Crore (March 31, 2025: ₹ 14.97 Crore).

NOTE 32 : REVENUE FROM OPERATIONS

Accounting Policy

Revenue from contracts with customers

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Group expect to be entitled for those goods/ services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

To recognize revenues, the Group applies the following five-step approach:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenues when a performance obligation is satisfied.

Revenue from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

Assets and liabilities arising from right to return

The Group has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives the Group a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Group has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Group has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Group operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

Interest income

Interest income on all debt instruments is measured at amortised cost. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Company's brand name. Revenue is recognised over time based on the terms of contracts with the customer

Commission income

In case of sales of goods, where the Group is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

REVENUE FROM OPERATIONS

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from sale of products		
Sale of products	**8,063.00**	7,256.37
Revenue from redemption of loyalty points (Refer Note - 31)	**31.67**	31.27
Total revenue from sale of products	**8,094.67**	**7,287.64**
Revenue from rendering of services	**45.23**	21.27
Other operating income		
Scrap sales	**16.60**	9.99
Export incentives	**0.06**	0.11
Licence fees and royalties	**3.33**	5.05
Space on hire	**0.25**	-
Commission income	**16.25**	28.79
Others	**0.53**	1.88
Total	**8,176.92**	**7,354.73**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Right to return assets (Refer Note - 20)	**68.74**	75.37
Refund liabilities (Refer Note - 31)	**173.11**	138.40

(b) Contract balances:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Contract assets		
Trade receivables	**407.04**	373.44
Contract liabilities		
Advances received from customers	**93.88**	97.10
Deferred revenue	**17.10**	14.97

(c) Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contracted price	**8,794.28**	7,982.67
Less:		
Provision for sales returns	**480.26**	463.21
Provision for discounts	**120.00**	149.76
Loyalty points	**17.10**	14.97
Revenue as per the Consolidated Statement of Profit and Loss	**8,176.92**	**7,354.73**

(d) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Pantaloons	**4,560.49**	4,372.65
Ethinic and Others	**3,616.43**	2,982.08
Revenue as per the Consolidated Statement of Profit and Loss	**8,176.92**	**7,354.73**

(e) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss based on geographical segment:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from customers outside India	**85.11**	84.38
Revenue from customers within India	**8,091.81**	7,270.35
Revenue as per the Consolidated Statement of Profit and Loss	**8,176.92**	**7,354.73**

NOTE 33 : OTHER INCOME

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Profit on sale of property, plant and equipment	**6.75**	1.18
Interest income	**43.06**	10.81
Net gain on investment in mutual funds (including on redemption)	**86.96**	60.33
Interest income from financial assets at amortised cost	**47.00**	43.05
Gain on retirement of right-of-use assets (Refer Note - 4a & 44a)	**34.80**	40.71
Gain on derivative assets and liabilities (net)	**70.35**	21.90
Miscellaneous income	**20.69**	17.74
Total	**309.61**	**195.72**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 34 : COST OF MATERIALS CONSUMED

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
(a)	**Materials consumed**		
	Inventories at the beginning of the year	**105.37**	83.02
	Add: Purchases	**673.87**	545.17
		779.24	**628.19**
	Less: Inventories at the end of the year	**146.45**	105.37
	Total	**632.79**	**522.82**

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
(b)	**Purchase of stock-in-trade**		
	Purchase of stock-in-trade	**3,155.85**	2,756.13
	Total	**3,155.85**	**2,756.13**

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
(c)	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Opening inventories		
	Finished goods	**413.51**	528.16
	Stock-in-trade	**1,737.21**	1,542.19
	Work-in-progress	**121.43**	84.36
	Inventories taken over pursuant to business combinations		
	Finished goods	**-**	8.07
	Stock-in-trade	**-**	1.52
	Work-in-progress	**-**	5.97
		2,272.15	2,170.27
	Less:		
	Closing inventories		
	Finished goods	**642.52**	413.51
	Stock-in-trade	**1,824.97**	1,737.21
	Work-in-progress	**126.19**	121.43
		2,593.68	2,272.15
	(Increase)/Decrease in inventories	**(321.53)**	**(101.88)**

NOTE 35 : EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	**1,154.64**	999.20
Contribution to provident and other funds (Refer Note - 42)	**50.42**	49.29
Share-based payment to employees (Refer Note - 43)	**5.54**	30.98
Gratuity expense (Refer Note - 42)	**16.86**	20.58
Staff welfare expenses	**43.15**	42.17
Total	**1,270.61**	**1,142.22**

NOTE 36 : FINANCE COSTS

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on borrowings	**156.70**	258.01
Interest expense on lease liabilities (Refer Note - 4b & 44a)	**353.03**	297.30
Other borrowing costs	**1.90**	8.86
Interest expense on financial instruments at amortised cost	**4.05**	3.22
Total	**515.68**	**567.39**

NOTE 37 : DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note - 3a)	**267.35**	233.88
Depreciation on right-of-use assets (Refer Note - 4a & 44a)	**921.88**	797.12
Amortisation on intangible assets (Refer Note - 5a)	**150.26**	135.40
Total	**1,339.49**	**1,166.40**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38 : OTHER EXPENSES

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spares	**8.28**	6.37
Power and fuel	**2.07**	1.76
Electricity charges	**189.93**	179.18
Repairs and maintenance		
Buildings	**29.10**	24.60
Plant and machinery	**16.26**	15.30
Others	**173.15**	175.75
Insurance	**14.90**	11.14
Rates and taxes	**27.07**	25.40
Processing charges	**383.84**	289.08
Commission to selling agents	**119.50**	103.06
Brokerage and discounts	**1.18**	3.33
Advertisement and sales promotion	**707.10**	591.15
Transportation and handling charges	**195.32**	191.03
Royalty expenses	**9.66**	10.23
Legal and professional	**164.51**	147.90
Bad debts written off	**0.32**	1.04
Allowances for bad and doubtful debts	**5.86**	4.32
Provision for bad and doubtful deposits and advances	**4.66**	2.85
Printing and stationery	**8.86**	8.02
Travelling and conveyance	**70.72**	58.27
Communication expenses	**4.57**	5.47
Bank and credit card charges	**44.84**	40.11
Donation	**0.03**	0.21
Postage expenses	**2.88**	2.52
Foreign exchange loss (net)	**0.75**	1.06
Information technology	**143.78**	115.00
Outsourcing, housekeeping and security	**136.01**	94.57
Corporate Social Responsibility (CSR)	**3.51**	4.31
Directors' fees	**0.53**	0.95
Miscellaneous	**47.81**	39.90
Total	**2,517.00**	**2,153.87**

NOTE 38a : EXCEPTIONAL ITEMS

i) Continuing operations -

a) On November 21, 2025, the Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (together referred to as the Labour Code), consolidating 29 existing labour laws. The Company assessed impact of the Labour Code based on the available information and recognised past service cost on gratuity and compensated absences, amounting to ₹ 39.86 crores, arising on account of revised definition of wages. The said past service cost has been presented as an 'exceptional item' in the Standalone Statement of Profit and Loss for the year ended March 31, 2026.

b) Exceptional item in continued operations for the year ended March 31, 2025 pertains to Gain of ₹ 161.15 Crore on account of remeasurement of 33.5% of equity interest held by the holding company in GFPL upon GFPL becoming a subsidiary of the Company during the year ended March 31, 2025.

ii) Discontinued operations

a) Exceptional item under discontinued operations for the Year ended March 31, 2025 pertains to exceptional charge on account of impairment of goodwill, right-of-use assets, franchisee rights and provision for inventory obsolescence aggregating to ₹ 98.33 crores pursuant to restructuring of operations of a business unit.

NOTE 39 : INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

Consolidated Statement of Profit and Loss:

In Profit or loss section

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
Current income tax			
Current income tax charge (Minimum Alternate Tax)*		**40.66**	32.65
Current tax relating to earlier years		**0.06**	-
	(A)	**40.72**	**32.65**
Deferred tax charge / (credit)			
Relating to origination and reversal of temporary differences		**(138.96)**	(126.86)
	(B)	**(138.96)**	**(126.86)**
Total	**(A+B)**	**(98.24)**	**(94.21)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

In other comprehensive income (OCI) section

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Deferred tax charge/(credit) on		
Net (gains)/ losses on re-measurement of defined benefit plans	**(1.33)**	0.83
Net (gains)/ losses on fair value of equity instruments	**(1.87)**	(0.84)
Net (gains)/ losses on hedging instruments	**0.08**	0.15
Total	**(3.12)**	**0.14**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Accounting Loss before income tax from continuing operations	**(928.13)**	**(718.38)**
Tax expense/ (income) at statutory income tax rate of 25.17% (March 31, 2025: 25.17%)	**(233.61)**	(180.82)
Expenses not allowed under the Income tax Act:		
- Corporate Social Responsibility	**0.70**	1.04
- Expenses disallowed for tax purposes	**1.22**	1.39
- Impact of differential higher income tax rate applicable to a subsidiary	**6.99**	2.70
- Impact of unrecognised deferred tax assets on tax and depreciation loss	**138.01**	130.24
- Remeasurement of Interest held in an erstwhile joint venture	**-**	(40.56)
- Others	**(11.55)**	(8.21)
Provision for current tax for earlier years	**-**	-
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**(98.24)**	**(94.21)**
Accounting Loss before income tax from discontinued operations	**-**	**230.97**
Tax expense/ (income) at statutory income tax rate of 25.17% (March 31, 2025: 25.17%)	**-**	58.14
Expenses not allowed under the Income tax Act:		
- Expenses disallowed for tax purposes	**-**	0.47
- Others	**-**	4.01
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**-**	**62.62**

* During the year ended March 31, 2020, the Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (Refer Note 40).

NOTE 40 : EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
For continuing operations			
Net Profit/(Loss) for the year from continuing operations		**(829.89)**	(624.17)
Profit/(Loss) attributable to Non-Controlling interest		**(54.00)**	(80.00)
Profit/(Loss) for calculation of EPS	**(A)**	**(775.89)**	**(544.17)**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	**1,21,68,75,235**	1,08,75,80,070
Profit / (Loss) per share - basic (₹)	**(A/B)**	**(6.38)**	**(5.12)**
Weighted average number of equity shares outstanding		**1,21,68,75,235**	1,08,75,80,070
Weighted average number of potential equity shares		**6,23,110**	19,71,425
Weighted average number of equity shares for calculation of Diluted EPS		**1,21,68,75,235**	1,08,75,80,070
Diluted EPS (₹)	**(C)**	**(6.38)**	**(5.12)**
Nominal value of shares (₹)		**10.00**	10.00
For discontinued operations			
Profit/(Loss) for calculation of EPS	**(A)**	**-**	**168.35**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	**-**	1,08,75,80,070
Profit / (Loss) per share - basic (₹)	**(A/B)**	**-**	**1.59**
Weighted average number of equity shares outstanding		**-**	1,08,75,80,070
Weighted average number of potential equity shares		**-**	19,71,425
Weighted average number of equity shares for calculation of Diluted EPS		**-**	1,08,75,80,070
Diluted EPS (₹)	**(C)**	**-**	**1.59**
Nominal value of shares (₹)		**-**	10.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

		Year ended March 31, 2026	Year ended March 31, 2025
For Continuing and discontinued operations			
Profit/(Loss) for calculation of EPS	**(A)**	**(775.89)**	**(375.82)**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	**1,21,68,75,235**	1,08,75,80,070
Profit / (Loss) per share - basic (₹)	**(A/B)**	**(6.38)**	**(3.53)**
Weighted average number of equity shares outstanding		**1,21,68,75,235**	1,08,75,80,070
Weighted average number of potential equity shares		**6,23,110**	19,71,425
Weighted average number of equity shares for calculation of Diluted EPS		**1,21,68,75,235**	1,08,75,80,070
Diluted EPS (₹)	**(C)**	**(6.38)**	**(3.53)**
Nominal value of shares (₹)		**10.00**	10.00

Notes

a) Treasury shares are adjusted in computing the weighted average number of equity shares outstanding during the year in calculation of EPS.

b) Stock options granted to the employees under various ESOP schemes are considered to be potential equity shares. The same is considered in the determination of diluted earnings per share to the extent that they are not anti-dilutive. During the current and previous year, the Stock options/RSUs are anti-dilutive and hence have been ignored for the purpose of calculating diluted EPS. Vested unexcercised stock options/RSUs have been considered in the calculation of Basic EPS where the excercise price of such options are insignificant.

NOTE 41 : DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board of Directors of the Company at their meeting held on April 19, 2024, subject to the necessary approvals, considered and approved demerger of Madura Lifestyle Fashion Business ("MFL Business") under a Scheme of Arrangement amongst the Company and Aditya Birla Lifestyle Brands Limited ("Resulting Company"), wholly owned subsidiary of the Company and their respective shareholders and creditors ("Demerger Scheme"). The Demerger Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench (Hon'ble NCLT) on March 27, 2025. The Company received the certified true copy of the order on April 22, 2025. Consequent upon filling of the certified copies of Hon'ble NCLT orders by the Company and the Resulting company with the respective jurisdictional Registrar of Companies on April 23, 2025, the Scheme has become effective from May 1, 2025. Upon the Scheme becoming effective, the MFL Business was transferred to the Resulting Company on a going concern basis.

The demerger was recognized in the financial statements during the year ended March 31, 2025 in accordance with the accounting treatment specified in the sanctioned Scheme as a common control transaction and the assets and liabilities were transferred to Resulting Company at their respective book values.

a) Details of assets and liabilities transferred pursuant to Scheme of Arragement are as follows:

Particulars		**₹ in Crore**
Assets		
Non-Current Assets		
Property, plant and equipment		674.87
Capital work-in-progress		13.00
Goodwill		627.67
Other intangible assets		502.38
Right to use of assets		1,622.76
Financial assets		
(i)	Loans	0.48
(ii)	Security deposits	176.73
(iii)	Other financial assets	204.67
Deferred tax assets (net)		91.10
Non-current tax assets (net)		14.76
Other non-current assets		54.05
Total - Non-current assets		**3,982.47**
Current assets		
Inventories		2,108.83
Financial assets		
(i)	Current Investments	117.18
(ii)	Loans	5.74
(iii)	Security deposits	100.15
(iv)	Trade receivables	1,322.04
(v)	Cash and cash equivalents	53.05
(vi)	Bank balance other than cash and cash equivalents above	0.59
(vii)	Other financial assets	76.16
Other current assets		621.50
Total - Current assets		**4,405.24**
TOTAL - ASSETS - (A)		**8,387.71**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Particulars		₹ in Crore
Non-current liabilities		
Financial liabilities		
(i)	Borrowings	77.44
(ii)	Deposits	274.30
(iii)	Lease liabilities	1,516.88
(iv)	Other financial liabilities	518.08
Provisions		22.71
Other non-current liabilities		26.02
Total - Non-current liabilities		**2,435.43**
Current liabilities		
Financial liabilities		
(i)	Borrowings	874.75
(ii)	Trade payables	
	Total outstanding dues of micro enterprises and small enterprises	89.11
	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,032.20
(iii)	Deposits	250.55
(iv)	Lease liabilities	463.38
Other financial liabilities		147.36
Provisions		141.65
Other current liabilities		568.06
Total - Current liabilities		**4,567.06**
Total - Liabilities - (B)		**7,002.50**
Net Assets - C (A - B)		**1,385.21**

Net cash flows attributable to the MFL business during the year ended March 31, 2025 is as follows:

	₹ in Crore
	March 31, 2025
Net cash inflows from operating activities	1,144.17
Net cash inflows from investing activities	6.95
Net cash used in financing activities	(1,230.41)
Net increase / (decrease) in cash and cash equivalents	**(79.29)**

b) Breakup for the amount of 'Net profit/(loss) after tax for the year from discontinued operations' has been presented in the Statement of Profit and Loss.

c) Pursuant to the Scheme, the difference between the book value of the assets and liabilities transferred to Resulting Company has been debited to the following reserves of the Company:

Particulars	₹ in Crore
Employee Stock options reserve	(41.49)
Retained earnings	(1,343.72)
Total	**(1,385.21)**

NOTE 42 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group operates a gratuity plan through a Trust wherein eligible employees are entitled to a benefits equivalent to fifteen days' wages last drawn for each completed year of service, in compliance with the Code on Social Security, 2020. In accordance with the Code's standardized definition of wages, the calculation base is mandated to comprise a minimum of 50% of the employee's total Cost to Company (CTC). In cases where the Group's internal scheme provides more favorable terms than the minimum obligations under the Code, the more favorable terms are applied.

The benefits are payable on termination of service, resignation, or retirement, whichever occurs earlier. For regular permanent employees, the benefits vest after five years of continuous service.

A part of the gratuity plan is funded and another part is unfunded and managed within the Group, hence the liability has been bifurcated into funded and unfunded.

The Group has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Limited), details of which is available in the table of Investment pattern of plan assets.

Pursuant to the Scheme of Arrangement (refer Note 41), the Management is in the process of completing the requisite legal and regulatory formalities for transferring the funds relating to employees transferred to Aditya Birla Lifestyle Brands Limited ("ABLBL"), currently held by the Aditya Birla Fashion and Retail Limited – Employees Group Gratuity Fund Trust, to ABLBL

The following tables summarise the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet for the respective plans:

Unfunded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

	₹ in Crore	
	Year ended March 31, 2026	**Year ended March 31, 2025**
Current service cost	**14.80**	12.99
Past Sevice Cost	**29.89**	-
Interest cost on defined benefit obligation	**6.08**	5.15
Extinguishment to discontinued operations	**-**	(0.22)
Total	**50.77**	**17.92**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	**82.11**	**72.33**
Addition pursuant to business combinations	**-**	-
Current service cost	**14.80**	12.99
Interest cost on defined benefit obligation	**6.08**	5.15
Past Service Cost	**29.89**	-
Total	**132.88**	**90.47**
Actuarial (gain)/ loss on account of:		
Changes in demographic assumptions	**0.20**	(0.26)
Changes in financial assumptions	**(5.07)**	4.54
Experience adjustments	**(1.16)**	(1.88)
Actuarial (gain)/ loss recognised in Other Comprehensive Income	**(6.03)**	**2.40**
Benefits paid	**(9.09)**	(9.82)
Liabilities assumed/ (settled)	**(0.57)**	(0.38)
Transferred pursuant to Scheme of Arrangement	**-**	(0.54)
Closing defined benefit obligation	**117.19**	**82.11**

Funded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

	As at March 31, 2026	As at March 31, 2025
Current service cost	**3.06**	14.22
Past Sevice Cost	**2.49**	-
Interest cost on defined benefit obligation	**1.84**	7.27
Interest income on plan assets	**(1.44)**	(6.61)
Extinguishment to discontinued operations	**-**	(12.22)
	5.95	**2.66**

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO):

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	**26.84**	**98.19**
Addition pursuant to the scheme of arrangement	**-**	1.80
Current service cost	**3.06**	14.22
Past Service Cost	**2.49**	-
Interest cost on defined benefit obligation	**1.84**	7.27
Total	**34.23**	**121.48**
Actuarial (gain)/ loss on account of:		
Changes in financial assumptions	**(0.52)**	4.36
Experience adjustments	**0.57**	0.45
Actuarial (gain)/ loss recognised in Other Comprehensive Income	**0.05**	**4.81**
Benefits paid	**(3.79)**	(7.75)
Liabilities assumed/ (settled)	**1.56**	1.13
Transferred pursuant to Scheme of Arrangement	**-**	(92.83)
Closing defined benefit obligation	**32.05**	**26.84**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Change in fair value plan assets		
Opening fair value of the plan assets	**21.93**	**91.20**
Contributions by the employer	**2.54**	6.62
Addition pursuant to the scheme of arrangement	**-**	0.73
Interest income on plan assets	**1.44**	6.61
Actual returns on plan assets excluding amounts included in net interest	**(0.74)**	(0.11)
Benefits paid	**(0.21)**	(0.16)
Transferred pursuant to Scheme of Arrangement	**-**	(82.96)
Closing fair value of the plan assets	**24.96**	**21.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Amounts recognised in the Consolidated Balance Sheet

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Funded		
Present value of the defined benefit obligation	**32.05**	26.84
Fair value of plan assets	**24.96**	21.93
Net liability/ (asset)	**7.09**	**4.91**
Net liability is classified as follows:		
Current	**0.59**	0.25
Non-current	**6.50**	4.66
Net liability	**7.09**	**4.91**

Gratuity is funded through investments with insurance service providers, i.e. Life Insurance Corporation of India (LIC) and Aditya Birla Sun Life Insurance Company Limited. The plan assets under the scheme are administered by LIC. The investments are primarily in low risk assets.

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Unfunded		
Present value of the defined benefit obligation	**117.19**	82.11
Liability	**117.19**	**82.11**
Net liability is classified as follows:		
Current	**10.86**	7.25
Non-current	**106.33**	74.86
Liability - Unfunded	**117.19**	**82.11**

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Group are shown below:

	As at March 31, 2026	As at March 31, 2025
Discount rate		
Funded plan	**6.85% to 7.00%**	6.50% to 6.70%
Unfunded plan	**6.65% to 7.00%**	6.65% to 6.85%
Salary escalation rate		
Funded plan		
Management	**8.00% to 10.00%**	8.00% to 10.00%
Staff	**7.00%**	7.00%
Workers	**5.00%**	5.00%
Unfunded plan		
Stores	**7.00% to 9.00%**	7.00% to 9.00%
HO and Zones	**8.00%**	8.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2026		As at March 31, 2025	
Sensitivity disclosure				
Discount rate	**0.50% increase**	**0.50% decrease**	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)				
Funded plan	**(0.82)**	**4.59**	(0.76)	0.83
Unfunded plan	**(7.20)**	**29.95**	(9.25)	11.33
Salary escalation rate	**0.50% increase**	**0.50% decrease**	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)				
Funded plan	**0.80**	**(0.77)**	0.70	(0.77)
Unfunded plan	**7.66**	**(6.80)**	10.12	(9.22)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

There has been no change from the previous year in the method and assumptions used in preparing the sensitivity analysis.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	**16.40**	11.76
Between 2 and 5 years	**60.51**	43.15
Between 6 and 10 years	**58.77**	43.17
Beyond 10 years	**183.48**	131.23
Total	**319.16**	**229.31**

The Group is expected to contribute ₹ 10.77 Crore to the gratuity fund during the year ended March 31, 2027 (March 31, 2026: ₹ 7.66 Crore).

The average duration of the defined benefit plan obligation at the end of the reporting period is 7 to 24 years (March 31, 2025: 7 to 24 years).

Risk exposure

Through its defined benefit plans, Group is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities. If plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	The present value of the defined benefit plan liability is sensitive to future salary growth assumptions. The obligation is calculated based on projected salaries of employees, which incorporate expected inflation and career progression. If actual salary increase is higher than the assumed, the defined benefit obligation will rise, leading to an increase in the plan liability.
Life Expectancy	The gratuity plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans

Provident Fund: Contributions are made to registered provident fund administered by the government at the rate of 12% of the basic salary. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund. The corpus is administered by a Trust belonging to the company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Labour Welfare Fund (LWF): The Labour Welfare Fund (LWF) is a statutory contributory fund managed by the individual state government authorities in India. The state Labour Welfare Board determines the frequency and amount of the LWF contribution and it differs from state to state. The contributions to the LWF are made annually, half-yearly or monthly.

Amount recognised as an expense and included in Note - 35 as "Contribution to provident and other funds"

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Government Provident Fund	**40.26**	38.90
Contribution to Superannuation Fund	**0.63**	0.47
Contribution to Employee Pension Scheme (EPS)	**4.19**	3.21
Contribution to Employee State Insurance (ESI)	**4.09**	5.92
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	**0.17**	0.25
Contribution to Labour Welfare Fund (LWF)	**0.17**	0.12
Contribution to Company owned Provident Fund Trust	**0.37**	-
Contribution to National Pension Scheme (NPS)	**0.55**	0.42
Total	**50.43**	**49.29**

Note:-

The Group has evaluated the impact of the Supreme Court ("SC") judgement dated February 28, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to non-inclusion of certain allowances in the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There are interpretation issues relating to the said SC judgement. In the assessment of the management, the aforesaid matter is not likely to have a significant impact on the Company and accordingly, no provision has been made in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 43 : SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Expense arising from equity-settled share-based payment arrangements	**13.14**	7.10
Expense arising from cash-settled share-based payment arrangements	**(7.60)**	23.88
Total	**5.54**	**30.98**

A. Employee share-based payment plans

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

During the year ended March 31, 2018, i.e. on July 25, 2017, the Nomination and Remuneration Committee of the Board of Directors of the Company ("NRC") and the Board of Directors ("Board") approved the introduction of another Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees of the Company and of its subsidiary companies, subject to the approval of the Shareholders of the Company. Shareholders of the Company, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/NRC to finalise and implement the Scheme 2017.

In terms of the Scheme of Arrangement (refer Note 41) for demerger of Madura Fashion and Lifestyle undertaking ('MFL') to Aditya Birla Lifestyle Brands Limited ('ABLBL'), certain eligible employees of ABLBL are entitled to stock options and Restricted Stock Units (RSUs) under the Scheme 2017.

Under the plan, participants are granted options which vest in a graded manner in equal proportions annually over four years from the grant date. Once vested, the options remain exercisable for a period of five years. Options granted under the plan carry no dividend or voting rights.

i) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current and previous year:

	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of Options	Weighted average exercise price (₹ per share)
Options				
Outstanding at the beginning of the financial year	**4,29,383**	**177.99**	**9,19,897**	**176.67**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(39,950)**	**58.30**	(4,68,005)	175.37
Forfeited during the financial year	**(3,600)**	**58.30**	(22,509)	178.30
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**3,85,833**	**58.19**	**4,29,383**	**177.99**
Unvested at the end of the financial year	**-**	**-**	**-**	**-**
Exercisable at the end of the financial year	**3,85,833**	**58.19**	**4,29,383**	**177.99**

^The share prices on the date of exercise ranged from ₹ 86.68 to ₹ 273.20. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

Under the plan, participants are granted RSUs which vest upon completion of three years from the grant date. Once vested, the RSUs remain exercisable for a period of five years. RSUs granted under the plan carry no dividend or voting rights.

The following table illustrates the number and weighted average exercise prices of, and movements in RSUs during the current and previous year:

	As at March 31, 2026		As at March 31, 2025	
	No. of RSUs	Weighted average exercise price# (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
RSU				
Outstanding at the beginning of the financial year	**2,31,796**	**10.00**	**2,45,866**	**10.00**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(2,31,796)**	**3.27**	(14,070)	10.00
Forfeited during the financial year	**-**	**-**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**-**	**-**	**2,31,796**	**10.00**
Unvested at the end of the financial year	**-**	**-**	**-**	**-**
Exercisable at the end of the financial year	**-**	**-**	**2,31,796**	**10.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

^The share prices on the date of exercise ranged from ₹ 64.78 to ₹ 264.70. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

In Accordance with the Approved Scheme of Arrangement, the exercise price per option and RSU were adjusted, reflecting the relative fair values of the Company and the Demerged company.

Share options outstanding at the end of the year have expiry dates ranging from September 07, 2026 till February 01, 2027 and exercise prices ranging from ₹ 53.50 to ₹ 58.30.

Weighted average remaining contractual life of options outstanding at end of the year is 0.45 years.

II. Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2017

In terms of the Approved Scheme of Arrangement (refer Note 41), the existing grantees of Aditya Birla Fashion and Retail Limited ('ABFRL') Employee Stock Option Schemes, comprising eligible employees of Aditya Birla Lifestyle Brands Limited ('ABLBL') and certain employees of the Company were entitled to an equal number of stock options and Restricted Stock Units (RSUs) of ABLBL. The Nomination and Remuneration Committee ("NRC") of the Board of Directors ("Board") of the ABLBL formulated the above ESOP Scheme which was approved on May 23, 2025. Options and RSUs granted under the plan carry no dividend or voting rights. Upon exercise, each option/ RSU is convertible into one equity share of ABLBL. Options and RSUs granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding options/ RSUs of ABFRL.

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Options/RSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**-**	**-**	-	-
Pursuant to the Approved Scheme	**2,42,533**	**119.63**	**1,45,606**	**6.73**
Exercised during the financial year^	**(9,003)**	**120.00**	(1,45,606)	**6.73**
Forfeited during the financial year	**(1,800)**	**120.00**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**2,31,730**	**119.62**	**-**	-
Unvested at the end of the financial year	**-**	**-**	**-**	-
Exercisable at the end of the financial year	**2,31,730**	**119.62**	**-**	**-**

^The weighted average share price at the date of exercise of Options was ₹ 142.01 and RSUs was ₹ 139.11

Share options outstanding at the end of the year have expiry dates ranging from September 7, 2026 till February 01, 2027 and exercise prices ranging from ₹ 110.10 to ₹ 120.00

Weighted average remaining contractual life of options outstanding at end of the year is 0.45 years.

III. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

During the year ended March 31, 2020, on July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors ("Board"), approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019") through trust route, for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees of the Company and of its subsidiary companies. Settlement under Scheme 2019 is done through ABFRL Employee Welfare Trust("Trust). Purchase of shares by the Trust is funded thorugh a loan provided by the Company.

In terms of the Scheme of Arrangement (refer Note 41) for demerger of Madura Fashion and Lifestyle undertaking ('MFL') to Aditya Birla Lifestyle Brands Limited ('ABLBL'), certain eligible employees of ABLBL are entitled to stock options and Restricted Stock Units (RSUs) under the Scheme 2017.

Under the plan, participants are granted options which vest in equal annual instalments over a period of one to three years from the grant date (graded vesting). Certain options also vest in a single tranche at the end of three years from the grant date (bullet vesting). Once vested, the options remain exercisable for a period of two years. Options granted under the plan carry no dividend or voting rights.

i) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current and previous year

	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of Options	Weighted average exercise price (₹ per share)
Options				
Outstanding at the beginning of the financial year	**33,19,190**	**223.86**	**37,43,861**	**224.14**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(1,90,932)**	**64.72**	(2,19,850)	196.72
Forfeited during the financial year	**(44,236)**	**70.65**	(2,04,822)	258.02
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**30,84,022**	**73.76**	**33,19,190**	**223.86**
Unvested at the end of the financial year	**-**	**-**	**2,53,481**	**-**
Exercisable at the end of the financial year	**30,84,022**	**73.76**	**30,65,709**	**218.38**

^The share prices on the date of exercise ranged from ₹ 86.68 to ₹ 273.20. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

Under the plan, participants are granted RSUs which vest upon completion of three years from the grant date. Once vested, the RSUs remain exercisable for a period of five years. RSUs granted under the plan carry no dividend or voting rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The following table illustrates the number and weighted average exercise prices of, and movements in, RSUs during the current and previous year:

	As at March 31, 2026		As at March 31, 2025	
	No. of RSUs	Weighted average exercise price# (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
RSUs				
Outstanding at the beginning of the financial year	**6,84,936**	**10.00**	**7,69,832**	**10.00**
Granted during the financial year	**-**	**-**	-	-
Exercised during the financial year^	**(78,509)**	**3.27**	(82,886)	10.00
Forfeited during the financial year	**-**	**-**	(2,010)	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**6,06,427**	**3.27**	**6,84,936**	**10.00**
Unvested at the end of the financial year	**-**	**-**	**2,16,470**	**-**
Exercisable at the end of the financial year	**6,06,427**	**3.27**	**4,68,466**	**10.00**

^The share prices on the date of exercise ranged from ₹ 58.85 to ₹ 264.70. Pursuant to demerger of MFL, share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

In Accordance with the Approved Scheme of Arrangement, the exercise price per option and RSU were adjusted, reflecting the relative fair values of the Company and the Demerged company.

Share options outstanding at the end of the year have expiry dates ranging from November 30, 2026 till September 18, 2030 and exercise prices ranging from ₹ 53.66 to ₹ 108.16.

Weighted average remaining contractual life of options outstanding at end of the year is 1.90 years.

RSUs outstanding at the end of the year have expiry dates ranging from November 30, 2027 till September 18, 2030 and exercise price is ₹ 3.27.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 2.50 years.

IV. Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2019

In terms of the Approved Scheme of Arrangement (refer Note 41), the existing grantees of Aditya Birla Fashion and Retail Limited ('ABFRL') Employee Stock Option Schemes, comprising eligible employees of Aditya Birla Lifestyle Brands Limited ('ABLBL') and certain employees of the Company were entitled to an equal number of stock options and Restricted Stock Units (RSUs) of ABLBL. The Nomination and Remuneration Committee ("NRC") of the Board of Directors ("Board") of the ABLBL formulated the above ESOP Scheme which was approved on May 23, 2025. Options and RSUs granted under the plan carry no dividend or voting rights. Upon exercise, each option/ RSU is convertible into one equity share of ABLBL. Options and RSUs granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding options/ RSUs of ABFRL.

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Options/RSUs				
Outstanding at the beginning of the financial year	**-**	**-**	-	-
Granted during the financial year	**-**	**-**	-	-
Pursuant to the Approved Scheme	**21,04,164**	**153.06**	**4,92,082**	**6.73**
Exercised during the financial year^	**(16,277)**	**116.80**	(25,971)	6.73
Forfeited during the financial year	**(38,164)**	**146.63**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**20,49,723**	**153.47**	**4,66,111**	**6.73**
Unvested at the end of the financial year	**-**	**-**	**-**	**-**
Exercisable at the end of the financial year	**20,49,723**	**153.47**	**4,66,111**	**6.73**

^The weighted average share price at the date of exercise of these Options was ₹ 142.01 and RSUs was ₹ 129.80.

Share options outstanding at the end of the year have expiry dates ranging from November 30, 2026 till September 18, 2030 and exercise prices ranging from ₹ 116.80 to ₹ 222.59

Weighted average remaining contractual life of options outstanding at end of the year is 1.90 years.

RSUs outstanding at the end of the year have expiry dates ranging from November 30, 2027 till September 18, 2030 and exercise price is ₹ 6.73.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 2.43 years.

V. Aditya Birla Fashion and Retail Limited -TCNS Division Employee Stock Option Scheme 2024 ("ABFRL-TCNS Division ESOP Scheme")

Pursuant to merger of TCNS Clothing Ltd. with ABFRL, the Company issued replacement awards to the employees of TCNS as per Clause 24 of the approved Scheme of Amalgamation, i.e. in line with terms of grants made to them under the schemes previously issued by erstwhile TCNS Clothing Ltd., with adjustment for number of options and related terms in the Share Exchange Ratio.

Under the plan, participants are granted options which vest in equal annual instalments over the period from the grant date (graded vesting). Once vested, the options remain exercisable for a period of upto seven years. Options granted under the plan carry no dividend or voting rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

i) Movement of Options granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current and previous year:

	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price# (₹ per share)	No. of Options	Weighted average exercise price (₹ per share)
Options				
Outstanding at the beginning of the financial year	**24,27,380**	**220.46**	**-**	**-**
Granted during the financial year*	**-**	**-**	**24,27,380**	**220.46**
Exercised during the financial year	**(5,500)**	**53.51**	-	-
Forfeited during the financial year	**(2,14,501)**	**89.18**	-	-
Expired during the financial year	**-**	**-**	-	-
Outstanding at the end of the financial year	**22,07,379**	**70.83**	**24,27,380**	**220.46**
Unvested at the end of the financial year	**-**	**-**	**95,333**	**-**
Exercisable at the end of the financial year	**22,07,379**	**70.83**	**23,32,047**	**217.84**

* Includes grants pursuant to the approved Scheme of Amalgamation.

^The share prices on the date of exercise ranged from ₹ 81.64 to ₹ 263.55. Pursuant to demerger of MFL,share price of the Company was adjusted downward with effect from the ex-demerger date (i.e. May 22, 2025).

In Accordance with the Approved Scheme of Arrangement, the exercise price per option was adjusted, reflecting the relative fair values of the Company and the Demerged company.

Share options outstanding at the end of the year have expiry dates ranging from January 22, 2027 till September 30, 2031 and exercise prices ranging from ₹ 53.51 to ₹ 127.71

Weighted average remaining contractual life of options outstanding at end of the year is 2.03 years.

VI. Aditya Birla Lifestyle Brands Limited -TCNS Employee Stock Option Scheme 2024

In terms of the Approved Scheme of Arrangement (refer Note 41), the existing grantees of Aditya Birla Fashion and Retail Limited -TCNS Division Employee Stock Option Scheme 2024, certain employees of the Company, were entitled to an equal number of stock options of ABLBL. The Nomination and Remuneration Committee ("NRC") of the Board of Directors ("Board") of the ABLBL formulated the above ESOP Scheme which was approved on May 23, 2025. Options granted under the plan carry no dividend or voting rights. Upon exercise, each options is convertible into one equity share of ABLBL. Options granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding options of ABFRL.

The following table illustrates the number and weighted average exercise prices of, and movements in, Options during the current year:

	As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)
Options		
Outstanding at the beginning of the financial year	**-**	**-**
Granted during the financial year	**-**	**-**
Pursuant to the Approved Scheme	**23,43,504**	**148.37**
Exercised during the financial year^	**(5,500)**	**110.13**
Forfeited during the financial year	**(1,30,625)**	**148.37**
Expired during the financial year	**-**	**-**
Outstanding at the end of the financial year	**22,07,379**	**148.37**
Unvested at the end of the financial year	**-**	**-**
Exercisable at the end of the financial year	**22,07,379**	**148.37**

^The weighted average share price at the date of exercise of these options was ₹ 130.17

Share options outstanding at the end of the year have expiry dates ranging from January 22, 2027 till September 30, 2031 and exercise prices ranging from ₹ 110.13 to ₹ 262.84

Weighted average remaining contractual life of options outstanding at end of the year is 2.03 years.

VII. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2025

On August 13, 2025, the Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2025" ("ESOP Scheme 2025"), to grant Stock Options in the form of "Options" and "PSUs", from time to time, to the eligible employees (as defined in the ESOP Scheme 2025).

Under the plan, participants are granted options which vest in a graded manner in equal proportions annually over three years from the grant date. PSUs vest upon completion of three years from the grant date. Once vested, the options and PSUs remain exercisable for a period of five years. Options and PSUs granted under the plan carry no dividend or voting rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

i) Movement of Options and PSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and PSUs during the year:

	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of PSUs	Weighted average exercise price (₹ per share)
Options/PSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**36,18,922**	**85.15**	**11,31,398**	**10.00**
Exercised during the financial year	**-**	**-**	-	-
Forfeited during the financial year	**(29,964)**	**85.22**	(24,009)	10.00
Outstanding at the end of the financial year	**35,88,958**	**85.22**	**11,07,389**	**10.00**
Unvested at the end of the financial year	**35,88,958**	**85.22**	**11,07,389**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

Share options outstanding at the end of the year have expiry dates ranging from November 04, 2031 till February 05, 2034 and exercise prices ranging from ₹ 68.84 to ₹ 85.38

Weighted average remaining contractual life of options outstanding at end of the year is 6.60 years.

RSUs outstanding at the end of the year have expiry dates ranging from November 04, 2033 till February 05, 2034 and exercise price is ₹ 10

Weighted average remaining contractual life of RSUs outstanding at end of the year is 7.61 years.

Fair value of options granted:

The fair value at grant date of options granted during the year ended 31 March 2026 was in the range of ₹ 23.84 to ₹ 39.39 and ₹ 38.70 to ₹ 79.57 for PSUs. The fair value at grant date is independently determined using the Binomial Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for Options and PSUs granted during the year ended 31 March 2026 included:

- Exercise price: ₹ 68.84 to ₹ 85.38 for options; ₹ 10 for PSUs
- Grant date: November 04, 2025 and February 05, 2026
- Share price at grant date: ₹ 85.38 and ₹ 68.84
- Expected price volatility of the company's shares: 26.68% to 29.68%
- Expected dividend yield: 0%
- Risk-free interest rate: 6.56% to 6.89%

VIII. Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2025

On August 13, 2025, the Nomination and Remuneration Committee and the Board of Directors of the ABLBL, at their respective meetings had approved the "Aditya Birla Lifestyle Brands Limited Employee Stock Option Scheme 2025 " ("ABLBL ESOS 2025"), to grant Stock Options in the form of "Options" and "PSUs", from time to time, to the eligible employees (as defined in the ABLBL ESOS 2025).

Under the plan, participants are granted options which vest in a graded manner in equal proportions annually over three years from the grant date. PSUs vest upon completion of three years from the grant date. Once vested, the options and PSUs remain exercisable for a period of five years. Options and PSUs granted under the plan carry no dividend or voting rights.

i) Movement of Options and PSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and PSUs during the year:

	As at March 31, 2026		As at March 31, 2026	
	No. of Options	Weighted average exercise price (₹ per share)	No. of PSUs	Weighted average exercise price (₹ per share)
Options/PSUs				
Outstanding at the beginning of the financial year	**-**	**-**	**-**	**-**
Granted during the financial year	**2,04,416**	**136.20**	70,623	10.00
Exercised during the financial year	**-**	**-**	-	-
Exercised during the financial year	**-**	**-**	-	10.00
Outstanding at the end of the financial year	**2,04,416**	**136.20**	**70,623**	**10.00**
Unvested at the end of the financial year	**2,04,416**	**136.20**	**70,623**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

Share options outstanding at the end of the year have expiry dates ranging from November 03, 2031 till November 03, 2033 and exercise price of ₹ 136.20.

Weighted average remaining contractual life of options outstanding at end of the year is 6.6 years.

RSUs outstanding at the end of the year have expiry date of November 03, 2033 and exercise price of ₹ 10.

Weighted average remaining contractual life of RSUs outstanding at end of the year is 7.6 years.

Fair value of options granted:

The fair value at grant date of options granted during the year ended 31 March 2026 was in the range of ₹ 55.99 to ₹ 64.57 and ₹ 130.39 for RSUs. The fair value at grant date is independently determined using the Binomial Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The model inputs for Options and PSUs granted during the year ended 31 March 2026 included:

- Exercise price: ₹ 136.20 for options; ₹ 10 for RSUs
- Grant date: November 04, 2025
- Share price at grant date: ₹ 136.20
- Expected price volatility of the company's shares: 27.94% to 29.47%
- Expected dividend yield: 0%
- Risk-free interest rate: 6.56% to 6.78%

B. Stock Appreciation Rights (SARs)

The SAR compensation cost is amortised on a straight-line basis over the total vesting period of the SARs. Accordingly, ₹ (7.60) Crore (March 31, 2025: ₹ 23.88 Crore) has been taken to the Consolidated Statement of Profit and Loss.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant SARs in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

i) Outstanding SARs - ABFRL

The fair value of the Option SARs was determined using the Binomial model using the following inputs:

Particulars	March 31, 2026
Share price at measurement date (₹ per share)	₹ 53.89
Expected volatility (%)	21.69% to 28.58%
Dividend yield (%)	0%
Risk-free interest rate (%)	5.46% to 6.28%

Details of the SARs outstanding as at March 31, 2026 are as follows:

No. of units outstanding as at March 31, 2026	Range of Vesting Period
23,31,817	1 to 4 years

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the Nomination and Remuneration Committee and the Board of Directors of the Company, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant SARs in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).

i) Outstanding SARs

The fair value of the SARs was determined using the Binomial model using the following inputs:

Particulars	March 31, 2026
Share price at measurement date (₹ per share)	₹ 53.89
Expected volatility (%)	28.57% to 29.28%
Dividend yield (%)	0%
Risk-free interest rate (%)	6.21% to 6.63%

Details of the SARs outstanding as at March 31, 2026 are as follows:

No. of units outstanding as at March 31, 2026	Range of Vesting Period
38,60,391	1 to 3 years

SAR Provision as at the year-end classified as:

Particulars	As at March 31, 2026	As at March 31, 2025
Current	**20.63**	21.08
Non-current	**7.02**	3.67
Total	**27.65**	**24.75**

III. Aditya Birla Lifestyle Brands Limited Stock Appreciation Rights Scheme 2019

In terms of the Approved Scheme of Arrangement (refer Note 41), the existing grantees of Aditya Birla Fashion and Retail Limited ('ABFRL') Stock Appreciation Rights Scheme 2019 ('SAR 2019'), were also granted equivalent Stock Appreciation Rights of Aditya Birla Lifestyle Brands Limited ('ABLBL') during the year. Upon exercise, eligible employees of the Company are entitled to cash payment by the ABLBL. SARs granted under the Scheme shall have remaining Exercise Period of corresponding outstanding SARs of ABFRL.

Set out below is a summary of option SARs and RSU SARs granted under the plan:

Particulars	As at March 31, 2026	
	Number of option SARs	Number of RSU SARs
Opening balance	**-**	**-**
Pursuant to the Approved Scheme	**12,84,258**	**5,62,080**
Granted during the year	**-**	**-**
Exercised during the year *	**(3,21,687)**	**(61,400)**
Forfeited during the year	**(58,659)**	**(11,508)**
Expired during the year	**-**	**-**
Closing balance	**9,03,912**	**4,89,172**
Unvested	**-**	**-**
Vested and exercisable	**9,03,912**	**4,89,172**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

* The weighted average share price at the date of exercise of option SARs during the year was ₹ 132.26 and ₹ 131.95 for RSU SARs.

Option SARs outstanding at the end of the year have expiry dates ranging from August 04, 2026 till November 02, 2028.

Weighted average remaining contractual life of option SARs outstanding at end of the year is 1.32 years.

RSU SARs outstanding at the end of the year have expiry dates ranging from August 17, 2027 till November 30, 2028.

Weighted average remaining contractual life of RSU SARs outstanding at end of the year is 1.87 years.

C. Employee share-based payment plans of Subsidiaries

I. Aditya Birla Digital Fashion Ventures Limited Employee Stock Option Scheme - 2022

During the year ended March 31, 2023, i.e. on December 23, 2022, the Board of Directors of Aditya Birla Digital Fashion Ventures Limited (ABDFVL) ("Board") approved the introduction of an Employee Stock Option Scheme, viz., Aditya Birla Digital Fashion Ventures Limited Employee Stock Option Scheme - 2022 ("Scheme 2022") for issue of Stock Options in the form of Options ("Options") to the identified employees of ABDFVL and of its holding company and subsidiary Companies subject to the approval of the shareholders of ABDFVL. Shareholders of ABDFVL vide its resolution passed at Extra Ordinary General Meeting held on December 23, 2022, approved the introduction of Scheme 2022 and authorised the Board to finalise and implement the Scheme 2022.

Accordingly, under the said Scheme 2022, vide its resolution dated December 30, 2022, ABDFVL commenced granting of options.

i) Movement of Options granted

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the current and previous period:

Particulars	As at March 31, 2026*	As at March 31, 2025*
Outstanding at the beginning of the financial year	**2,99,65,845**	**2,51,84,514**
Granted during the financial year	**1,46,52,292**	54,00,398
Options transferred in/(out)	**-**	-
Exercised during the financial year	**(5,71,039)**	-
Forfeited during the financial year	**(4,98,964)**	(6,19,067)
Expired during the financial year	**-**	-
Outstanding at the end of the financial year	**4,35,48,134**	**2,99,65,845**
Unvested at the end of the financial year	**2,74,68,548**	2,08,69,584
Exercisable at the end of the financial year	**1,60,79,587**	90,96,261

*The weighted average exercise price for the options is ₹ 10.

Weighted average remaining contractual life of options outstanding at end of the year is 8.06 years.

Share options outstanding at the end of the year have expiry dates ranging from April 30, 2033 till February 03, 2036 and exercise prices ranging form ₹ 4.94 to ₹ 23.18

II. Bewakoof Brand Private Limited (BBPL)

Employee option scheme 2023 (ESOP 2023)

Employee option Plan was approved by shareholders of BBPL vide their special resolution passed at the Annual General Meeting held on September 27, 2023, wherein they have agreed to create, offer, issue and allot up to 5,879 (Five Thousand Eight Hundred and Seventy-Nine) employee stock options ("Options") in the form of equity shares linked to the completion of minimum period of continued employment to the eligible employees of BBPL monitored by the Board of Directors. The holders of the vested options are entitled to apply for the one equity share of BBPL, in accordance with the terms of the grant.

i) Movement of Options granted

The following are the number and weighted average exercise prices of, and movements in, share options during the current and previous year:

	As at March 31, 2026*	As at March 31, 2025*
Outstanding at the beginning of the financial year	**1,178**	1,284
Granted during the financial year	**200**	95
Options transferred in/(out)	**-**	-
Exercised during the financial year	**-**	201
Forfeited during the financial year	**226**	-
Outstanding at the end of the financial year	**1,152**	**1,178**
Unvested at the end of the financial year	**200**	-
Exercisable at the end of the financial year	**952**	-

* The weighted average exercise price for the options is ₹ 10.

Weighted average remaining contractual life of options outstanding at end of the year is 0.84 years.

Share options outstanding at the end of the year have expiry dates ranging from April 30, 2026 till December 09, 2029 and exercise price of ₹ 10.

NOTE 44 : COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Group has entered into agreements for taking on lease certain land, residential and office premises, stores, warehouses, factories and property, plant and equipment on lease. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Group has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Expenses/ Income recognised in the Consolidated Statement of Profit and Loss (Continuing and Discontinued Operations)

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Other income		
Gain on retirement of right-of-use assets*	**34.80**	49.64
*Includes amounts pertaining to Discontinued opertaion of ₹ 8.93 Crore in March 31, 2025		
Rent		
Expense relating to short-term leases	**82.04**	75.24
Expense relating to leases of low value assets	**-**	0.00
Variable rent**	**153.52**	894.61
**Includes amounts pertaining to Discontinued operation of ₹ 764.70 Crore in March 31, 2025		
Finance cost		
Interest expense on lease liabilities#	**353.03**	485.04
# Includes amounts pertaining to Discontinued operation of ₹ 187.74 Crore in March 31, 2025		
Depreciation and amortisation expenses^		
Depreciation on right-of-use assets	**921.88**	1197.79
^ Includes amounts pertaining to Discontinued operation of ₹ 400.65 Crore in March 31, 2025		
Other expenses##		
Processing charges	**-**	32.65
Sublease payments received (not shown separately in the Consolidated Statement of Profit and Loss)	**2.60**	89.60

Includes amounts pertaining to Discontinued operation of ₹ 121.22 Crore in March 31, 2025

The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Within one year	**1,247.44**	921.79
After one year but not more than five years	**3,432.87**	2,459.69
More than five years	**1,107.45**	587.45
Total	**5,787.76**	**3,968.93**

The initial non-cancellable period of the lease agreement for stores is upto 3 years, beyond which there is an option for the lessee to continue the lease, which the Group expects to continue for a period of 2 to 3 years after the initial non-cancellable period, accordingly 5 – 6 years has been considered as the lease term. Post the non cancellable period, the Group has the option to exit the lease by giving a notice period. The Group assesses its intention to continue with the store leases considering its location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2026: ₹ 1385.06 Crore (March 31, 2025(Continuing and Discontinued Operations): ₹ 2,618.13 Crore).

Total cash outflow for leases for Discontinued Operations for the year ended March 31, 2025 is ₹ 1,494.23 Crore .

The Group entered into a sale and leaseback transaction in respect of certain assets such as furniture and fixtures, office equipment etc., in line with its capital expenditure strategy. The assets were sold at fair values with ₹ 7.08 Crore (March 31, 2025: ₹ 3.55 Crore) gains . Sale proceeds of ₹ 41.96 Crore (March 31, 2025: ₹ 12.76 Crore) were realised upon sale of such assets. The lease arrangement is for a period of 4-5 years. The assets leased back have been recorded as a right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

Particulars	As at March 31, 2026	As at March 31, 2025
Lease commitment for short-term leases	**5.75**	8.43
Lease commitment for leases of low value assets	**-**	-
Total	**5.75**	**8.43**

Variable lease payments

Some store leases contain variable payment terms that are linked to sales generated from a store. For certain stores, upto 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	March 31, 2026		March 31, 2025	
Increase/ (decrease) in sales	**Increase by 5%**	**Decrease by 5%**	**Increase by 5%**	**Decrease by 5%**
Rent	**7.68**	**(7.68)**	44.73	(44.73)

b) Capital commitments

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**49.84**	71.31
Total	**49.84**	**71.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE 45 : CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Claims against the Group not acknowledged as debts		
Commercial taxes	**15.10**	19.51
Excise duty	**-**	1.70
Customs duty	**0.33**	-
Bank Guarantees	**22.30**	22.70
Income Tax	**35.04**	36.11
Others*	**10.38**	7.57
Total	**83.15**	**87.59**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Group's pending litigations include claims relating to rent disputes with a landlord, demands raised by mathadi workers, and commercial tax matters involving shortfall in payments due to non submission of Forms F, H, I and C, as well as disallowance of input tax credit.

The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its financial statements where financial outflow is not probable. The Group does not expect the outcome of these proceedings to have a material adverse effect on the financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Group has a provision of ₹ 2.51 Crore as at March 31, 2026 (March 31, 2025: ₹ 2.17 Crore) (Refer Note-30).

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Group has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2026.

Note : As per the approved Composite Scheme of Arrangement, the Group has transferred contingent liabilities of ₹ 14.73 crore specifically attributable to MFL business of Aditya Birla Lifestyle Brands Limited in March 31, 2025.

NOTE 46 : BUSINESS COMBINATIONS

Acquisitions during the year ended March 31, 2025

The Holding Company raised its shareholding in Goodview Fashions Private Limited ('GFPL') from 33.5% to 51%, through secondary acquisition of 17.5% equity stake for an aggregate amount of ~₹ 127.42 crores from the existing shareholder of GFPL, thereby GFPL became a subsidiary of the Company with effect from July 11, 2024.

The Company has completed the purchase price allocation during the year. Details of the fair value of the identifiable assets and liabilities taken over is as below:

	Fair value recognised on acquisition	
	₹ in Crore	₹ in Crore
Assets taken over		
Property, plant and equipment	**27.83**	
Brand	**505.00**	
Other intangible assets	**0.56**	
Right to use assets	**46.37**	
Security deposits (non-current)	**7.86**	
Deferred tax assets	**1.93**	
Other non-current assets	**2.05**	
Inventories	**19.09**	
Current Investments	**11.29**	
Security deposits (current)	**1.22**	
Trade receivables	**4.29**	
Cash and cash equivalent	**4.71**	
Other financial assets (current)	**0.30**	
Other current assets	**4.76**	**637.26**
Liabilities taken over		
Borrowings	**1.38**	
Lease liability	**49.88**	
Provisions	**2.28**	
Deferred Tax Liabilities (net)	**127.11**	
Trade payables	**7.19**	
Other financial liabilities	**2.84**	
Other current liabilities	**11.71**	**202.39**
Total identifiable net assets at fair value as at acquisition date (A)		**434.87**
Company's share of net assets		**221.83**
Non-Controlling Interest (B)*		**213.04**
Purchase consideration transferred (C)		**371.34**
Goodwill arising on acquisition (B+C-A)		**149.51**

* On acquisition date, Non-Controlling Interest has been measured using proportionate share of the GFPL's identifiable net assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

On acquision date, the fair value of previously held equity interest in GFPL is ₹ 243.91 crore and a gain of ₹ 161.15 crore has been recogined on account of remeasurement of interest held in an erstwhile joint venture under exceptional items in statement of profit and loss.

The fair value of acquired trade receivables has been disclosed in the table above. Gross contractual amount of the trade receivables is not materially different from its fair value.

Revenue and loss contribution

The acquired businesses contributed revenue from operations and profit after tax of ₹ 177.36 crores and ₹ 30.53 crores, respectively to the Group for the period ended 31 March 2025.

If the acquisition had occurred on 01 April 2024, combined pro-forma revenue from operations and profit after tax for the year ended 31 March 2025 in relation to the acquisitions would have been ₹ 205.75 crores and ₹ 26.45 crores, respectively. These amounts have been calculated using the subsidiary's financial statements and adjusting them for the additional amortisation that would have been charged assuming the fair value adjustments to other intangible assets had applied from 01 April 2024, together with the consequential tax effects, as applicable.

NOTE 47 : RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Parties under common control

Aditya Birla Lifestyle Brands Limited (with effect from March 27, 2025)

Aditya Birla Garments Limited (with effect from March 27, 2025)

Joint Venture

Goodview Fashion Private Limited upto July 10, 2024

Associate

Wrogn Private Limited with effect from October 16, 2024

Other related parties in which directors are interested

Aditya Birla Fashion and Retail Jan Kalyan Trust

Vyas Giannetti Creative Private Limited

Aditya Birla Management Corporation Private Limited

CLI Footwear and Accessories Private Limited

KA Hospitality Private Limited (KA)

Birla Cosmetics Private Ltd

Post-employment benefit plans

Aditya Birla Fashion and Retail Limited - Employees Group Superannuation Scheme Trust

Aditya Birla Fashion and Retail Limited - Employees Group Gratuity Fund Trust

Key Management Personnel ("KMP")

Mr. Kumar Mangalam Birla - Chairman and Non-Executive Director

Mr. Ashish Dikshit - Managing Director

Mr. Vishak Kumar - Whole-time Director upto April 30, 2025

Ms. Sangeeta Tanwani - Whole-time Director

Mr. Nish Bhutani - Independent Director

Ms. Preeti Vyas - Independent Director

Mr. Sunirmal Talukdar - Independent Director

Ms. Sukanya Kripalu - Independent Director upto October 12, 2024

Mr. Yogesh Chaudhary - Independent Director

Mr. Arun Kumar Adhikari - Independent Director

Mr. Vikram Dondu Rao - Independent Director upto September 9, 2025

Mr. Venkatesh Mysore - Independent Director

Mr. Pankaj Sood - Non-Executive Nominee Director upto April 2, 2026

Ms. Ananyashree Birla - Non-Executive Director

Mr. Aryaman Birla - Non-Executive Director

Mr. Jagdish Bajaj - Chief Financial Officer

Mr. Anil Malik - Company Secretary upto November 30, 2025

Mr. Rajeev Agrawal - Company Secretary with effect from December 1, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Year ended March 31, 2026			Year ended March 31, 2025		
	Subsidiaries, Joint Venture and Associate	**KMP and Relative of KMP**	**Other related parties**	**Subsidiaries, Joint Venture and Associate**	**KMP and Relative of KMP**	**Other related parties**
Sale of goods	**-**	**-**	**1.45**	-	-	1.28
Reimbursement of expenses recovered from	**-**	**-**	**165.58**	-	-	-
Commission on sale of goods	**-**	**-**	**0.04**	-	-	-
Back office services	**-**	**-**	**0.62**	-	-	-
Purchase of goods	**20.82**	**-**	**234.06**	9.21	-	-
Reimbursement of expenses paid to	**-**	**-**	**89.59**	-	-	58.07
Consultancy services	**-**	**-**	**0.02**	-	-	0.03
Contribution to post employment benfit plans	**-**	**-**	**3.28**	-	-	1.14
Contribution towards Corporate Social Responsibility	**-**	**-**	**2.77**	-	-	4.04
Advertisment income	**0.08**	**-**	**-**	-	-	-
Transfer of liabilities for Post-employment benefits	**-**	**-**	**0.21**	-	-	-
Remuneration paid to KMP*	**-**	**27.42**	**-**	-	38.01	-

* Includes payment to directors towards sitting fees

Balances outstanding

₹ in Crore

	As at March 31, 2026			As at March 31, 2025		
	Subsidiaries, Joint Venture and Associate	**KMP and Relative of KMP**	**Other related parties**	**Subsidiaries, Joint Venture and Associate**	**KMP and Relative of KMP**	**Other related parties**
Amounts owed to related parties	**12.45**	**-**	**122.21**	9.22	-	151.27
Amounts owed by related parties	**0.03**	**-**	**95.41**	-	-	-
Deposits/ Loans receivable	**1.20**	**-**	**5.64**	-	-	5.64

The above amounts are classified as security deposit receivable, loans receivables, inter corporate deposit receivable, trade receivables and trade payables (Refer Notes - 8, 16, 19 and 28 respectively).

No amounts in respect of the related parties have been written off/ back during the year.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. Deposits to wholly-owned subsidiaries are unsecured, interest bearing and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of Key Managerial Personnel (KMP) of the Company

₹ in Crore

	Year ended March 31, 2026	**Year ended March 31, 2025**
Short-term employee benefits	**18.96**	25.82
Post-employment benefits	**1.90**	3.75
Share-based payment	**6.56**	8.44
Total	**27.42**	**38.01**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key managerial personnel.

NOTE 48 : GROUP INFORMATION

The consolidated financial statements of the Group include subsidiaries and joint venture listed in the table below:

Name of the entity	**Relationship with Company**	**Country of incorporation**	**Principal Activities**	**Proportion of ownership interest and voting power held by the holding company**	
				As at March 31, 2026	**As at March 31, 2025**
Jaypore E-Commerce Private Limited	Subsidiary	India	Retailing	**100.00%**	100.00%
Jayapore Inc.	Subsidiary	USA	Retailing	**100.00%**	100.00%
TG Apparel & Decor Private Limited	Subsidiary	India	Retailing	**100.00%**	100.00%
Finesse International Design Private Limited	Subsidiary	India	Manufacturing and retailing	**65.50%**	63.50%
Sabyasachi Calcutta LLP	Subsidiary	India	Manufacturing and retailing	**51.00%**	51.00%
Sabyasachi Inc.	Subsidiary	USA	Retailing	**51.00%**	51.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Name of the entity	Relationship with Company	Country of incorporation	Principal Activities	Proportion of ownership interest and voting power held by the holding company	
				As at March 31, 2026	As at March 31, 2025
Indivinity Clothing Retail Private Limited	Subsidiary	India	Manufacturing and retailing	**85.54%**	85.54%
House of Masaba Lifestyle Private Limited	Subsidiary	India	Retailing	**61.81%**	54.05%
Aditya Birla Digital Fashion Ventures Limited	Subsidiary	India	Retailing	**100.00%**	100.00%
Pratyaya E-Commerce Private Limited	Subsidiary	India	Retailing	**87.57%**	82.24%
Imperial Online Services Private Limited	Subsidiary	India	Retailing	**84.38%**	79.78%
Awesomefab Shopping Private Limited	Subsidiary	India	Manufacturing and retailing	**86.57%**	66.08%
Bewakoof Brands Private Limited	Subsidiary	India	Retailing	**89.01%**	87.64%
Next Tree Products Private Limited	Subsidiary	India	Retailing	**89.01%**	87.64%
Styleverse Lifestyle Private Limited	Subsidiary	India	Manufacturing and retailing	**51.00%**	51.00%
Wrogn Private Limited	Associate	India	Retailing	**35.34%**	32.84%
Goodview Fashion Private Limited##	Subsidiary	India	Manufacturing and retailing	**51.01%**	51.01%
Tarun Tahiliani Fashions Trading L.L.C S.O.C ###	Subsidiary	United Arab Emirate	Retailing	**51.01%**	NA

Note :- Proportion of ownership interest and voting power held by Parent are on fully diluted basis.

Become a subsidiary of the Company during the year. (Refer note - 46)

A wholly-owned subsidiary of Goodview Fashion Private Limited

NOTE 49 : SEGMENT INFORMATION

Based on the "management approach", as defined under Ind AS 108 - Operating segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates the resources based on the analysis of various performance indicators by business segments which are as follows:

Segments	Activities
Madura Fashion & Lifestyle# (Discontinued Operations)	Manufacturing, distribution and retailing of branded fashion apparel and accessories
Pantaloons	Retailing of apparel and accessories
Ethnic & Others*	Manufacturing, distribution and retailing of branded fashion apparel and accessories

*Jaypore, TG Apparel, Finesse, Sabyasachi, Sabyasachi Inc., Indivinity, HMLPL, Aditya Birla Digital Fashion Ventures Limited, TCNS Division of ABFRL and GFPL businesses have been included in Ethnic & Others segment, considering all of these Companies branded apparel and accessories and is viewed as branded business.

#Discrete financial information was available for Madura Fashion and Lifestyle segment and performance of the Madura Fashion and Lifestyle segment was reviewed by the CODM till the year ended March 31, 2025. Accordingly, management continues to disclose Madura Fashion and Lifestyle segment as separate operating segment.

Prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2026 and as at March 31, 2026

₹ in Crore

Particulars	Pantaloons	Ethinic and Others	Total Segments	Eliminations	Total
Revenue					
External customers	4,560.49	3,616.43	**8,176.92**	-	**8,176.92**
Inter-segment	-	78.52	**78.52**	(78.52)	**-**
Total revenue	**4,560.49**	**3,694.95**	**8,255.44**	**(78.52)**	**8,176.92**

₹ in Crore

Particulars	Pantaloons	Ethinic and Others	Total Segments	Corporate and eliminations	Total
Expenses/ (income)					
Depreciation, impairment and amortisation expense	758.53	580.96	1,339.49	-	1,339.49
Segment profit/ (loss)	**(19.64)**	**(398.84)**	**(418.48)**	**(509.65)**	**(928.13)**
Total assets	**5,832.39**	**10,069.01**	**15,901.40**	**1,855.79**	**17,757.20**
Total liabilities	**4,302.03**	**6,962.47**	**11,264.50**	**229.71**	**11,494.21**
Other disclosures					
Capital expenditure	**-**	-	**-**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Year ended March 31, 2025 and as at March 31, 2025

₹ in Crore

Particulars	Madura Fashion & Lifestyle	Pantaloons	Ethinic and Others	Total Segments	Eliminations	Total
Revenue						
External customers	7,618.62	4,372.65	2,982.08	14,973.35	-	14,973.35
Inter-segment	211.33	-	141.52	352.85	(352.85)	-
Total revenue	**7,829.95**	**4,372.65**	**3,123.60**	**15,326.20**	**(352.85)**	**14,973.35**

₹ in Crore

Particulars	Madura Fashion & Lifestyle	Pantaloons	Ethinic and Others	Total Segments	Corporate and eliminations	Total
Expenses/ (income)						
Depreciation, impairment and amortisation expense	641.02	659.18	507.22	1,807.42	-	1,807.42
Segment profit/ (loss)	**711.32**	**81.71**	**(435.36)**	**357.67**	**(845.08)**	**(487.41)**
Total assets	**8,387.74**	**5,333.55**	**8,408.10**	**22,129.39**	**2,897.84**	**25,027.23**
Total liabilities	**7,002.53**	**3,689.88**	**5,346.58**	**16,038.99**	**789.75**	**16,828.74**
Other disclosures						
Capital expenditure	299.91	187.37	819.83	1,307.11	-	1,307.11

Inter-segment revenues are eliminated upon consolidation and reflected in the 'Eliminations' column. All Eliminations are part of detailed reconciliations presented further below.

Corporate and eliminations

Finance income and costs are not allocated to individual segments as the underlying instruments are managed on a Group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to these segments as they are also managed on a Group basis.

Capital expenditure consists of additions of property, plant and equipment and intangible assets including assets from acquisition of subsidiaries.

Reconciliation of amounts reflected in the consolidated financial statements:

Reconciliation of profit

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Segment profit/(loss)	**(418.48)**	**357.67**
Other unallocable (expenditure)/ income (net)	**120.19**	6.27
Exceptional items	**(39.86)**	62.82
Finance costs	**(515.68)**	(949.39)
Inter-segment (loss)/ profit on sales (elimination)	**(44.95)**	53.10
Share in profit/(loss) of Joint Venture and Associate	**(29.35)**	(17.88)
Loss before tax	**(928.13)**	**(487.41)**

Reconciliation of assets

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Segment operating assets	**15,901.40**	**22,129.39**
Cash and cash equivalents	**429.53**	664.46
Deferred tax assets (net)	**404.26**	271.50
Non-current tax assets (net)	**31.89**	8.56
Investment in Joint Venture and Associate	**143.56**	130.52
Non-current investments	**31.80**	24.36
Current Investments	**695.74**	1,438.79
Other corporate assets	**187.86**	421.06
Inter-segment eliminations	**(68.85)**	(61.40)
Madura Fashion and Lifestyle (Distributed during the year ended March 31, 2025)	**-**	(8,387.74)
Total	**17,757.20**	**16,639.49**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Reconciliation of liabilities

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Segment operating liabilities	**11,264.50**	**16,038.99**
Current borrowings	**2.10**	12.94
Non-current borrowings	**745.45**	743.94
Current maturities of long-term borrowings	**-**	-
Interest accrued but not due on borrowings	**31.27**	31.22
Other corporate liabilities	**(11.24)**	280.28
Inter-segment eliminations	**(537.87)**	(278.63)
Madura Fashion and Lifestyle (Distributed during the year ended March 31, 2025)	**-**	(7,002.53)
Total	**11,494.21**	**9,826.21**

Other information required by IND AS 108 (Continuing and Discontinued Operations)

₹ in Crore

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from customers outside India	**85.11**	264.44
Revenue from customers within India	**8,091.81**	14,708.91
Total	**8,176.92**	**14,973.35**

(i) Non current assets (excluding Financial Instruments, Deferred tax assets, Investment accounted using equity method) amounting to ₹ 11,212.50 Crore (for both Continuing and Discontinued Operation) (March 31, 2025: ₹ 13,158.62 Crore) are held within India and ₹ 51.50 Crore (March 31, 2025: ₹ 54.56 Crore) are held outside India.

(ii) No single customer or customer group has accounted for more than 10% of the external revenues during the current and previous year.

NOTE 50 : FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

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

As at March 31, 2026

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b and 13)	1,064.97	31.80	-	1,096.77	1,064.97	-	31.80
Loans (Refer Notes - 7 and 14)	-	-	3.95	3.95	-	-	-
Security deposits (Refer Notes - 8 and 15)	-	-	490.80	490.80	-	-	-
Trade receivables (Refer Note - 16)	-	-	407.04	407.04	-	-	-
Cash and cash equivalents (Refer Note - 17)	-	-	66.96	66.96	-	-	-
Bank balance other than Cash and cash equivalents (Refer Note - 18)	-	-	413.55	413.55	-	-	-
Other financial assets (Refer Notes - 9 and 19)	-	-	157.03	157.03	-	-	-
Call Options (Refer Note - 9)	93.77	-	-	93.77	-	-	93.77
Total	**1,158.74**	**31.80**	**1,539.33**	**2,729.87**	**1,064.97**	**-**	**125.57**
Financial liabilities							
Non-current borrowings (Refer Note - 23)	-	-	1,091.44	1,091.44	-	-	-
Current borrowings (Refer Note - 27)	-	-	603.16	603.16	-	-	-
Deposits	-	-	53.76	53.76	-	-	-
Trade payables (Refer Note - 28a)	-	-	2,353.12	2,353.12	-	-	-
Supplier's Credit (Refer Note - 28b)	-	-	131.73	131.73	-	-	-
Other financial liabilities (Refer Notes - 24 and 29)	-	-	279.15	279.15	-	-	-
Put Options (Refer Note - 24)	-	-	-	-	-	-	-
Derivative contracts (Refer Note - 29)	0.21	-	-	0.21	0.21	-	-
Non-controlling interest put option (Refer Note - 24 and 29)	1,557.50	-	-	1,557.50	-	-	1,557.50
Total	**1,557.71**	**-**	**4,512.36**	**6,070.07**	**0.21**	**-**	**1,557.50**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b and 13)	1,594.21	24.47	-	1,618.68	1,594.21	-	24.47
Loans (Refer Notes - 7 and 14)	-	-	3.21	3.21	-	-	-
Security deposits (Refer Notes - 8 and 15)	-	-	426.20	426.20	-	-	-
Trade receivables (Refer Note - 16)	-	-	373.44	373.44	-	-	-
Cash and cash equivalents (Refer Note - 17)	-	-	766.81	766.81	-	-	-
Bank balance other than Cash and cash equivalents (Refer Note - 18)	-	-	6.25	6.25	-	-	-
Other financial assets (Refer Notes - 9 and 19)	-	-	119.29	119.29	-	-	-
Call Options (Refer Note - 9)	29.50	-	-	29.50	-	-	29.50
Total	**1,623.71**	**24.47**	**1,695.20**	**3,343.38**	**1,594.21**	**-**	**53.97**
Financial liabilities							
Non-current borrowings (Refer Note - 23)	-	-	1,148.88	1,148.88	-	-	-
Current borrowings (Refer Note - 27)	-	-	289.70	289.70	-	-	-
Deposits	-	-	43.73	43.73	-	-	-
Trade payables (Refer Note - 28a)	-	-	2,132.80	2,132.80	-	-	-
Supplier's Credit (Refer Note - 28b)	-	-	109.50	109.50	-	-	-
Other financial liabilities (Refer Notes - 24 and 29)	-	-	245.43	245.43	-	-	-
Put Options (Refer Note - 24)	7.60	-	-	7.60	-	-	7.60
Derivative contracts (Refer Note - 29)	0.03	-	-	0.03	0.03	-	-
Non-controlling interest put option (Refer Note - 24 and 29)	1,378.61	-	-	1,378.61	-	-	1,378.61
Total	**1,386.24**	**-**	**3,970.04**	**5,356.28**	**0.03**	**-**	**1,386.21**

* Carrying value of financial instruments measured at amortised cost equals to the fair value on account of short term nature. In respect of non-current borrowings, non-current financial liabilities and non-current financial assets, management has determined that the difference between the fair value at year end and their carrying amount is not materially different.

The carrying value of investment made in an associate as at March 31, 2026 is ₹ 143.56 (March 31, 2025: ₹ 130.52 Crore) and are measured at cost.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) Forward contracts: Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company (level 1)

b) Non-controlling interest put option :

i) Option contracts: Fair value of option contracts is determined basis valuation performed by independent valuer appointed by the Company (level 3)

c) Investment:

i) Unquoted equity instruments: Fair value has been determined by using the valuation techniques to arrive at the fair value (level 3)

ii) Quoted investments: Fair value has been determined based on quoted price of the investment i.e. fair value (level 1)

Valuation inputs and relationships to fair value

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used (refer above notes for valuation technique adopted):

Financial instruments measured at fair value

₹ in Crore

Particulars	Fair Value as at March 31, 2026	Significant unobservable inputs	Fair Value as at March 31,2026		Sensitivity
			Increase by 0.50%	Decrease by 0.50%	
Non-controlling interest put option	1,557.50	Risk adjusted discount rate	1,494.91	1,630.88	Increase in discount rate by 0.50% would decrease the fair value by ₹ 62.59 Crore and decrease in discount rate by 0.50% would increase the fair value by ₹ 73.38 Crore.
		EBITDA margin projection	1,602.19	1,517.76	Increase in EBITDA margin by 0.50% would increase the fair value by ₹ 44.69 Crore and decrease in EBITDA margin by 0.50% would decrease the fair value by ₹ 39.74 Crore
		Revenue projection	1,598.71	1,538.47	Increase in revenue by 0.50% would increase the fair value by ₹ 41.21 Crore and decrease in revenue by 0.50% would decrease the fair value by ₹ 19.03 Crore.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

₹ in Crore

Particulars	Fair Value as at March 31, 2026	Significant unobservable inputs	Fair Value as at March 31,2026		Sensitivity
			Increase by 0.50%	Decrease by 0.50%	
Call Option (Wrogn)	85.50	Risk adjusted discount rate	86.60	83.70	Increase in discount rate by 0.50% would increase the fair value by 1.10 Crore and decrease in discount rate by 0.50% would decrease the fair value by 1.80 Crore
		EBITDA margin projection	84.70	85.70	Increase in margin by 0.50% would decrease the fair value by 0.80 Crore and decrease in margin by 0.50% would increase the fair value by 0.20 Crore
		Revenue projection	84.40	85.70	Increase in revenue by 0.50% would decrease the fair value by 1.10 Crore and decrease in revenue by 0.50% would increase the fair value by 0.20 Crore

B. Risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) 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 the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The Company has invested in term deposits with banks at fixed interest rates and has invested in Money Market and Overnight Mutual Funds Scheme where risk of fluctuatuions in interest rates are considered minimal.

As at March 31, 2026, approximately 64% of the Group's borrowings are at a fixed rate of interest (March 31, 2025: 82%).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

	As at March 31, 2026		As at March 31, 2025	
Interest Rate (%)	**0.50% increase**	**0.50% decrease**	0.50% increase	0.50% decrease
Increase/ (decrease) on loss before tax	**(0.78)**	**0.78**	(1.28)	1.28

The assumed movement in rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in currency other than INR. INR is the functional currency of the holding company and all the material subsidiaries and an associate.

The Group manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2026, the Group has hedged 47% (March 31, 2025: 81%) of its receivables in foreign currency and 85% (March 31, 2025: 89%) of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the Balance Sheet date:

As at March 31, 2026	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy (Hedge of payables)	USD	0.82	76.75

As at March 31, 2026	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to sell (Hedge of receivables)	USD	0.08	7.65

As at March 31, 2025	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy (Hedge of payables)	USD	0.39	33.41

As at March 31, 2025	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to sell (Hedge of receivables)	USD	0.06	4.97

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The details of unhedged foreign currency exposure as at the Consolidated Balance Sheet date are as follows:

As at March 31, 2026	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	**USD**	**0.04**	**3.37**
	EURO	**0.44**	**48.06**
	GBP	**0.10**	**12.27**
	AED	**0.04**	**0.91**
	JPY	**0.21**	**0.13**
	NZD	**-**	**0.19**
	HKD	**0.01**	**0.14**
Packing credit Foreign currency loan	**USD**	**0.12**	**10.91**
Trade receivables	**USD**	**-**	**0.09**
	EURO	**0.01**	**0.56**
	GBP	**-**	**0.24**
	AED	**0.04**	**0.97**
	CAD	**0.00**	**0.18**

As at March 31, 2025	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	USD	0.07	5.81
	EURO	0.04	4.11
	GBP	0.04	3.71
	AED	0.00	0.02
	NPR	0.06	0.04
	CAD	0.00	0.15
	HKD	0.02	1.65
Packing credit Foreign currency loan	USD	0.20	17.12
Trade receivables	USD	0.01	17.75
	EURO	0.00	0.27
	AED	0.00	0.02
	SGD	0.00	0.08

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Group's loss before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

	As at March 31, 2026		As at March 31, 2025	
Basis points (%)	**0.50% increase**	**0.50% decrease**	0.50% increase	0.50% decrease
Increase/ (decrease) on loss before tax				
₹ in Crore	**0.37**	**(0.37)**	0.07	(0.07)

iii) Price risk

The Group invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Group has invested, such price risk is not significant.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group only deals with parties which has good credit rating given by external rating agencies or based on the Group's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group is exposed to credit risk from its operating and investing activities (primarily trade receivables, security deposits, deposits with banks and investments in mutual funds).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2026, the Group has 12 customers (March 31, 2025: 15 customers) that owed the Group more than ₹ 5 Crore each and accounts for approximately 61% (March 31, 2025: 61%) of all the receivables outstanding. There are 77 customers (March 31, 2025: 90 customers) with balances greater than ₹ 0.50 Crore each and accounts for approximately 27% (March 31, 2025: 33%) of the total amounts receivable.

An impairment analysis is performed at each reporting date. Analysis considers historical data and reasonable supportable infomation of current conclusions and forecast of future economic conditions.

The Group's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at March 31, 2026 and March 31, 2025, is the carrying amount as provided in Note - 16.

c) Liquidity risk

i) The Group monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 36% of the Group's debt will mature in less than one year as at March 31, 2026 (March 31, 2025: 20%) based on the carrying value of borrowings reflected in the Consolidated financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to various sources of funding.

ii) As disclosed in note 28b, the Company has entered into supplier financing arrangements. The Company has no significant concentration of liquidity risk with on acccount of supplier financing arrangements.

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

As at March 31, 2026

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (other than preference shares)	**660.61**	**1,266.33**	**-**	**1,926.94**
Cumulative redeemable preference shares	**-**	**0.56**	**-**	**0.56**
Lease liabilities	**1,247.44**	**3,432.87**	**1,107.45**	**5,787.76**
Other financial liabilities	**280.51**	**1,546.92**	**23.34**	**1,850.77**
Deposits	**15.47**	**38.29**	**-**	**53.76**
Trade payables	**2,353.12**	**-**	**-**	**2,353.12**
Supplier's Credit	**134.61**	**-**	**-**	**134.61**
Total	**4,691.76**	**6,284.97**	**1,130.79**	**12,107.52**

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (other than preference shares)	342.74	1,085.52	258.50	1,686.76
Cumulative redeemable preference shares	-	0.56	-	0.56
Lease liabilities	921.79	2,459.69	587.45	3,968.93
Other financial liabilities	187.28	1,409.07	21.11	1,617.46
Deposits	14.73	29.00	-	43.73
Trade payables	2,132.80	-	-	2,132.80
Supplier's Credit	111.90	-	-	111.90
Total	**3,711.24**	**4,983.84**	**867.06**	**9,562.14**

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

NOTE 51 : CAPITAL MANAGEMENT

The Group's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Group is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically.

The following table summarises the capital of the Group (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2026	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	**603.16**	289.70
Long-term debts	**1,091.44**	1,148.88
Total borrowings	**1,694.60**	**1,438.58**
Total - Equity (Including Non-controlling interest)	**6,263.01**	6,813.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

The Group has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

NOTE 52 : ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013

Year ended March 31, 2026 and As at March 31, 2026

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Share in total comprehensive income/ (loss) (TCI)	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit/ (loss)	₹ in Crore	As % of consolidated OCI	₹ in Crore	As % of TCI	₹ in Crore
Parent								
Aditya Birla Fashion and Retail Limited	127.26%	7,970.33	42.35%	(351.49)	71.95%	9.49	41.88%	(342.00)
Subsidiaries								
Jaypore E-Commerce Private Limited**	-0.51%	(31.85)	6.85%	(56.88)	1.67%	0.22	6.94%	(56.66)
TG Apparel & Decor Private Limited	-0.02%	(1.55)	0.04%	(0.32)	0.00%	-	0.04%	(0.32)
Finesse International Design Private Limited	-0.26%	(16.04)	2.34%	(19.39)	1.97%	0.26	2.34%	(19.13)
Sabyasachi Calcutta LLP**	15.92%	997.25	-5.74%	47.66	27.67%	3.65	-6.28%	51.31
Indivinity Clothing Retail Private Limited	-2.66%	(166.79)	17.53%	(145.49)	-1.06%	(0.14)	17.83%	(145.63)
House of Masaba Lifestyle Private Limited	0.43%	27.00	6.09%	(50.56)	-0.76%	(0.10)	6.20%	(50.66)
Goodview Fashion Private Limited**	2.00%	125.31	-2.87%	23.80	0.76%	0.10	-2.93%	23.90
Aditya Birla Digital Fashion Ventures Limited**#	6.36%	398.42	32.15%	(266.78)	-2.81%	(0.37)	32.71%	(267.15)
Adjustments arising out of consolidation	-48.52%	(3,039.09)	1.26%	(10.44)	0.61%	0.08	1.27%	(10.36)
Total	**100.00%**	**6,262.99**	**100.00%**	**(829.89)**	**100.00%**	**13.19**	**100.00%**	**(816.70)**
Non-controlling Interest in subsidiary		**423.84**		**(54.00)**		**1.90**		**(52.10)**
Finesse International Design Private Limited		(5.55)		(6.76)		0.09		(6.67)
Sabyasachi Calcutta LLP**		-		23.39		1.79		25.18
Goodview Fashion Private Limited**		-		11.69		0.05		11.74
Indivinity Clothing Retail Private Limited		-		(21.22)		(0.02)		(21.24)
House of Masaba Lifestyle Private Limited		-		(21.10)		(0.04)		(21.14)
Aditya Birla Digital Fashion Ventures Limited**#		429.39		(40.00)		0.03		(39.97)
Total		**5,839.15**		**(775.90)**		**11.29**		**(764.60)**

* Transferred pursuant to Scheme of Arrangement

**Includes Step down Subsidiaries

#Includes information relating to a associate of the Group

Year ended March 31, 2025 and As at March 31, 2025

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Share in total comprehensive income/ (loss) (TCI)	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit/ (loss)	₹ in Crore	As % of consolidated OCI	₹ in Crore	As % of TCI	₹ in Crore
Parent								
Aditya Birla Fashion and Retail Limited	121.79%	8,297.86	27.98%	(127.53)	59.53%	(1.53)	28.15%	(129.06)
Subsidiaries								
Jaypore E-Commerce Private Limited**	0.36%	24.80	12.27%	(55.93)	1.56%	(0.04)	12.20%	(55.93)
TG Apparel & Decor Private Limited	-0.02%	(1.22)	0.07%	(0.30)	0.00%	-	0.07%	(0.30)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Share in total comprehensive income/ (loss) (TCI)	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit/ (loss)	₹ in Crore	As % of consolidated OCI	₹ in Crore	As % of TCI	₹ in Crore
Finesse International Design Private Limited	0.05%	3.08	2.12%	(9.67)	-5.84%	0.15	2.08%	(9.55)
Sabyasachi Calcutta LLP**	13.88%	945.95	-2.36%	10.76	33.85%	(0.87)	-2.16%	9.89
Indivinity Clothing Retail Private Limited	-0.31%	(21.12)	31.23%	(142.37)	2.33%	(0.06)	31.07%	(142.43)
House of Masaba Lifestyle Private Limited	0.19%	12.67	7.89%	(35.97)	0.00%	-	7.85%	(35.97)
Aditya Birla Garments Limited*	0.26%	17.57	2.07%	(9.44)	2.72%	(0.07)	2.07%	(9.51)
TCNS Clothing Co. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Goodview Fashion Private Limited	1.42%	96.91	-8.77%	39.98	1.95%	(0.05)	-8.71%	39.93
Aditya Birla Digital Fashion Ventures Limited**	-0.58%	(39.72)	58.85%	(268.24)	2.72%	(0.07)	58.53%	(268.31)
Adjustments arising out of consolidation	-37.04%	(2,523.49)	-31.35%	142.89	1.17%	(0.03)	-31.16%	142.85
Total	**100.00%**	**6,813.29**	**100.00%**	**(455.82)**	**100.00%**	**(2.57)**	**100.00%**	**(458.39)**
Non-controlling Interest in subsidiary		**1.12**		**(80.00)**		**(0.12)**		**(80.12)**
Finesse International Design Private Limited		1.12		(3.54)		0.05		(3.49)
TCNS Clothing Co. Ltd.^		-		(35.24)		0.29		(34.95)
Sabyasachi Calcutta LLP**		-		5.28		(0.42)		4.86
Goodview Fashion Private Limited		-		19.59		(0.02)		19.56
Indivinity Clothing Retail Private Limited		-		(21.36)		(0.01)		(21.37)
House of Masaba Lifestyle Private Limited		-		(16.66)		-		(16.66)
Aditya Birla Digital Fashion Ventures Limited**#		-		(28.07)		(0.01)		(28.08)
Total		**6,812.17**		**(375.82)**		**(2.46)**		**(378.27)**

* Transferred pursuant to Scheme of Arrangement

**Includes Step down Subsidiaries

^ Relating to TCNS Clothing Co. Ltd. Upto the date of Amalgamation with the Holding Company

Includes information relating to a associate of the Group

NOTE 53 : SUMMARY OF OTHER ACCOUNTING POLICIES

(a) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Segment assets and liabilities include all operating assets and liabilities. Segment results include all related income and expenditure. Corporate (unallocated) represents assets, liabilities, income and expenses which relate to the Group as a whole and are not allocated to the segments.

Inter-segment transfers

The Group generally accounts for inter-segment sales at arm's length basis in a manner similar to transactions with third parties.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income, expense and other common assets and liabilities which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

(b) Fair value measurements and hierarchy

The Group measures financial instruments, such as investments (other than equity investments in associate) and 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:

(a) In the principal market for the asset or liability; or

(b) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy based on its nature, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- 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 consolidated financial statements 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 of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(c) Foreign currencies

Transactions and balances:

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the Consolidated Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or the Consolidated Statement of Profit and Loss are also reclassified in OCI or the Consolidated Statement of Profit and Loss, respectively).

For the purposes of presenting these consolidated financial statements, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition are translated into Indian Rupees, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees at the exchange rates at the dates of the transactions or an average rate, if the average rate approximates the actual rate at the date of the transaction. Exchange differences arising on translation for consolidation are recognised in OCI and accumulated in other equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to non-controlling interest.

(d) Government grants

Government grants are recognised where there is a 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 relates to an asset, it is recognised as income in Statement of Profit and Loss in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, at a below-market rate of interest, the effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognised and measured at fair value, and the government grant is measured as the difference between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur in the Consolidated Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(f) Taxes

Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 in India.

The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised 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 when the deferred tax liability arises from the initial recognition of goodwill or an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

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

Tax benefits acquired as a part of business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information is received or circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition, if they result from new information obtained about facts and circumstances existing at the acquisition date.

The Group had adopted the new tax regime in the Financial Year 2019-20 under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss are recognised outside the Consolidated Statement of Profit and Loss (either in OCI or in equity). Current tax and deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(g) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes borrowing costs for long-term construction projects, if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss within other gains/ losses.

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

(h) Investment properties

Investment property is freehold land and structure, held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, used in the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair value is determined on the basis of assessable market value of the property as per rate specified by Government Authority. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Consolidated Statement of Profit and Loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

(i) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Consolidated Statement of Profit and Loss, in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite life 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 changes if any, made on prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

(j) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(k) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal/ external factors. An impairment loss, if any, is charged to the Consolidated Statement of Profit and Loss in the year in which an asset is identified as impaired. An asset's recoverable amount is higher of an asset's or cash-generating unit's (CGUs) 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 a pre-tax discount rates, that reflects current market assessment of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. 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, including impairment on inventories, are recognised in the Consolidated Statement of Profit and Loss.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually as at reporting date. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss.

Reversal of impairment losses except on goodwill is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(l) 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 assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Consolidated Statement of Profit and Loss are recognised immediately in the Consolidated Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

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

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. 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 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 gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Consolidated Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Consolidated Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Consolidated Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(iv) Equity investments

All equity investments (other than investments in associate) are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

The Group applies simplified approach of expected credit loss model for recognising impairment loss on lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12- month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Consolidated Balance Sheet.

(b) Non derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the 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.

(1) Equity instruments:

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re- measurement recognised in the Consolidated Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Consolidated Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Consolidated Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Consolidated Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Consolidated Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Consolidated Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Consolidated Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Consolidated Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Consolidated Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Group de-recognises 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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition 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 OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Consolidated Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group de-recognises financial liabilities only when the Group's obligations are discharged, cancelled or have expired. An exchange 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 de-recognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(m) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and options contract in accordance with agreement, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

(n) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

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

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(o) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which 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 (Refer Note – 45).

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(p) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Group makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Consolidated Statement of Profit and Loss, on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Group operates a defined benefit gratuity plan in India. The Group contributes to a gratuity fund maintained by an independent insurance company. The Group's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Consolidated Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Consolidated Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Consolidated Statement of Profit and Loss.

(d) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation in the Consolidated Statement of Profit and Loss.

The Group presents the entire leave as a current liability in the Consolidated Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(q) Share-based payment

Employees of the Group receive remuneration in the form of equity-settled instruments and stock appreciation rights for rendering services over a defined vesting period. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Consolidated Statement of Profit and Loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity- settled share options outstanding account.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

For cash-settled share-based payment, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability using a binomial method. At the end of each reporting period until the liability is settled and at the date of settlement, the fair value of the liability is re- measured, with any changes in the fair value recognised in 'Employee benefits expense' in the Consolidated Statement of Profit and Loss for the year.

The Group has created an "ABFRL Employee Welfare Trust"(ESOP Trust) and uses it as a vehicle for distributing shares to employees under the Employee Stock Option Scheme 2019 or any subsequent Stock Option Scheme. The trust purchase shares of the Company from the market, for giving shares to employees. The Group treats trust as its extension and shares held by trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued or sold, is recognised in capital reserve. Share options exercised during the reporting period are settled with treasury shares.

(r) Earnings per share

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

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(s) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Balance Sheet and for the purpose of the Consolidated Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(t) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

(u) As a lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Sub-leases:

When the Group, as a lessee (intermediate lessor), sub-leases an asset to a third party, the head lease and the sub-lease are accounted for as two separate contracts. The sub-lease is classified by reference to the right-of-use asset arising from the head lease, and not by reference to the underlying asset.

- If the sub-lease is classified as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sub-lessee and recognises a net investment in the sub-lease (lease receivable). Any difference between the right-of-use asset derecognised and the net investment in the sub-lease is recognised in the Statement of Profit and Loss. The lease liability under the head lease continues to be retained in the books and is accounted for in accordance with Ind AS 116. Finance income on the net investment in the sub-lease is recognised over the sub-lease term.
- If the sub-lease is classified as an operating lease, the Group retains the right-of-use asset and the lease liability under the head lease in its books. Lease income from the sub-lease is recognised on a straight-line basis over the sub-lease term and is presented separately in the Statement of Profit and Loss.

NOTE 54 : ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Group under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Holding Company, Subsidiaries and an Associate in India have complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) a) BORROWINGS SECURED AGAINST CURRENT ASSETS

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.

b) WILFUL DEFAULTER

The Holding Company, its Subsidiaries and an Associate in India have not been declared as wilful defaulters by any banks or financial institutions or government or any government authority.

c) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Holding Company had accounted for the Scheme of arrangement involving demerger of Madura Fashion and Lifestyle undertaking to Adiya Birla Lifestyle Brands Limited during the previous year (Refer Note - 41). Accouting treatment followed was in accordance with Ind AS requirements. The Holding Company has not entered into any other scheme of arrangement which has an accounting impact in the current year.

(vi) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), with the understanding that the Intermediary shall:a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) orb. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Group has not received any funds from any person(s) or entity(ies), with the understanding (whether recorded in writing or otherwise) that the Group shall:a. 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) orb. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(vii) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS), INTANGIBLE ASSETS AND INVESTMENT PROPERTY

The Group has not revalued its Property, Plant and Equipment (including Right-of-use assets), Intangible assets and Investment Property during the current or previous year.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
ICAI Firm Registration No. 304026E/E300009

A.J. SHAIKH
Partner
Membership No.: 203637

Place: Mumbai
Date: May 25, 2026

For and on behalf of the Board of Directors of Aditya Birla Fashion and Retail Limited

ASHISH DIKSHIT
(Managing Director)
(DIN.: 01842066)

Place: Mumbai
Date: May 25, 2026

SANGEETA TANWANI
(Whole-time Director)
(DIN.: 03321646)

Place: Mumbai
Date: May 25, 2026

JAGDISH BAJAJ
(Chief Financial Officer)

Place: Mumbai
Date: May 25, 2026

RAJEEV AGRAWAL
(Company Secretary)
(M.No.: A18877)

Place: Mumbai
Date: May 25, 2026

ADITYA BIRLA FASHION AND RETAIL LIMITED

Registered Office: Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor,
Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070
CIN: L18101MH2007PLC233901
Tel: +91 8652905000 | **Website:** www.abfrl.com | **E-mail:** secretarial@abfrl.adityabirla.com

Notice of the 19th Annual General Meeting

NOTICE is hereby given that the 19th Annual General Meeting of the Members of Aditya Birla Fashion and Retail Limited ("the Company") will be held on Tuesday, August 25, 2026 at 3:30 p.m. (IST) through Video Conferencing ("VC")/ Other Audio - Visual Means ("OAVM") to transact the following business(es):

ORDINARY BUSINESS (ES):

1) To consider and adopt:

a) the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2026 and the Reports of the Board of Directors and Auditors thereon and

b) the Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2026 and the Reports of the Auditors thereon.

2) To appoint a Director in place of Mr. Aryaman Vikram Birla (DIN:08456879)**, Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.**

3) Re-appointment of Price Waterhouse & Co Chartered Accountants LLP as the Statutory Auditors of the Company.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139, 141 and 142 other applicable provision of the Companies Act, 2013 ("Act") read with Companies (Audit and Auditors) Rules, 2014 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time and all other applicable statutes, laws, rules, guidelines, circular etc. issued by other appropriate authority(ies), if any (including any statutory amendment or modification or re-enactment thereof, for the time being in force) and based on the recommendation of the Audit Committee (hereinafter referred to as "Committee") and the approval of the Board of Directors of the Company (hereinafter referred to as "Board"), consent of the Members of the Company be and hereby accorded to re-appoint Price Waterhouse & Co Chartered Accountants LLP (Firm Registration No. 304026E/E-300009) (PW & Co.) as the Statutory Auditors of the Company, for a second term of 5 (five) consecutive years i.e., from the conclusion of 19th Annual General Meeting till the conclusion of the 24th Annual General Meeting, at a remuneration of ₹ 1.44 Crore (Rupees One Crore Forty-four Lakhs only) plus tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit of the Company for the financial year 2026-27 and further increment(s) for the remaining tenure of the appointment, as may be recommended by the Committee and approved by the Board from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and to authorise any of the Directors and/or Key Managerial Personnel to take necessary actions on behalf of the Company in that regard."

SPECIAL BUSINESS:

4) Re-designation and appointment of Ms. Sangeeta Tanwani (DIN:03321646) **as a Non-Executive Non-Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable statutes, laws, rules, regulations, guidelines, circulars etc. issued by other appropriate authority(ies), if any (including any statutory amendment or modification or re-enactment thereof, for the time being in force), and in line with the Memorandum and Articles of Association of the Company and Nomination Policy of the Company and based on the recommendation of the Nomination and Remuneration Committee (hereinafter referred to as "Committee") and approval of the Board of Directors of the Company (hereinafter referred to as "Board"), consent of the Members be and is hereby accorded to re-designate and appoint Ms. Sangeeta Tanwani, (DIN: 03321646) as a Non-Executive Non-Independent Director of the Company, for a term of 2 (Two) years w.e.f. from August 1, 2026 to July 31, 2028, liable to retire by rotation.

RESOLVED FURTHER THAT the Board except Ms. Sangeeta Tanwani be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and to authorise any of the Directors and/or Key Managerial Personnel to take necessary actions on behalf of the Company in that regard."

By Order of the Board of Directors

Sd/-
Rajeev Agrawal
Company Secretary & Compliance Officer
Membership No.: A18877

Place: Mumbai
Date: July 11, 2026

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 102 OF THE COMPANIES ACT, 2013:

The following statement sets out all material facts relating to the businesses mentioned in this Notice for the 19th Annual General Meeting of the Members of the Company:

3) Re-appointment of Price Waterhouse & Co Chartered Accountants LLP as the Statutory Auditors of the Company.

The Members of the Company had approved the appointment of Price Waterhouse & Co Chartered Accountants LLP [Firm Registration Number: 304026E/E-300009] (hereinafter referred to as "PW & Co.") as the Statutory Auditors of the Company to hold office for a period of 5 (five) years i.e., from the conclusion of the 14th Annual General Meeting ("AGM") held on September 9, 2021 until the conclusion of 19th AGM.

The Board of Directors of the Company at its meeting held on May 25, 2026 based on the recommendation of Audit Committee, approved the re-appointment of PW & Co. as the Statutory Auditors of the Company ("Proposed Re-appointment"), subject to the approval of the Members of the Company being sought via this Notice.

The Proposed re-appointment shall be in terms of the Section 139, 141 and 142 other applicable provision of the Companies Act, 2013 ("Act") read with Companies (Audit and Auditors) Rules, 2014 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time.

While recommending the proposed re-appointment, the Audit Committee and Board of the Directors of the Company as per the provisions of SEBI Listing Regulations has considered the below:

a. Brief Profile:

Price Waterhouse & Co Chartered Accountants LLP ("PW & Co."), having a Firm Registration No. 304026E/E-300009, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. PW & Co. was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The registered office of the Firm is at Plot No. 56 & 57, Block DN, Sector V, Salt Lake, Kolkata - 700 091 and has nine (9) branch offices in various cities in India.

PW & Co. is primarily engaged in providing assurance and auditing services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. PW & Co. holds a valid peer review certificate and serves as auditor to several companies listed on Indian stock exchanges.

b. Eligibility and Qualifications:

PW & Co. has provided its eligibility certificate dated May 23, 2026 to act as the Statutory Auditors and has also confirmed that the re- appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act, 2013 ("Act") and is not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(2) and Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

c. Term of re-appointment:

For a second term of 5 (Five) consecutive years i.e., from the conclusion of 19th Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company.

d. Fees:

₹ 1.44 Crore (Rupees One Crore Forty-four Lakhs only) plus applicable taxes and other out-of-pocket expenses for financial year 2026-27 and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and PW & Co. In addition to the Statutory audit, PW & Co. shall provide such other services in the nature of certifications and other professional work, as approved by the Audit Committee/Board of Directors from time to time as may be required.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed Ordinary Resolution, except to the extent of their shareholding in the Company, if any.

Considering the above and evaluation of the past performance, experience & expertise of PW & Co., the Board of Directors recommends the resolution as set out at item no. 3 of this Notice with respect to the re-appointment of PW & Co. as the Statutory Auditors of the Company, for approval of the Members of the Company as an Ordinary Resolution.

4) Re-designation and appointment of Ms. Sangeeta Tanwani (DIN:03321646) **as a Non-Executive Non-Independent Director of the Company.**

The Members of the Company at the 14th Annual General Meeting ("AGM") held on September 9, 2021 had approved the appointment of Ms. Sangeeta Tanwani as the Whole-time Director ("WTD") of the Company for a term of 5 (five) years w.e.f. from February 24, 2021 to February 23, 2026. Subsequently, considering her continued contributions to the Company, the Members had approved her re-appointment as a WTD at the 18th AGM held on September 23, 2025, up to January 31, 2027.

The Company has received a letter from Ms. Sangeeta Tanwani expressing her desire to relinquish her position of WTD of the Company and CEO-Pantaloons, with effect from closure of business hours of July 31, 2026. Considering her vast experience, expertise and significant contributions to the Company, and based on the recommendation of the Nomination and Remuneration Committee (hereinafter referred to as "NRC"), the Board of Directors (hereinafter referred to as "Board") approved the re-designation and appointment of Ms. Sangeeta Tanwani as a Non-Executive Non-Independent Director of the Company for a term of 2 (two) years with effect from August 1, 2026 to July 31, 2028, liable to retire by rotation, subject to the approval of the Members of the Company being sought via this Notice.

The Company has received a notice from a Member pursuant to Section 160 of the Companies Act, 2013, proposing the candidature of Ms. Tanwani for the office of Director of the Company.

Ms. Sangeeta Tanwani has provided to the Board:

a. consent to act as a Non-Executive Non-Independent Director of the Company;

b. declaration that she is not disqualified to be as a Director in terms of provisions of Section 164 of the Companies Act, 2013 ("Act") and

c. that she is not debarred from holding the office of Director by virtue of any order of Securities and Exchange Board of India and any other competent regulatory authority.

Ms. Sangeeta Tanwani will be paid remuneration by way of the sitting fees for attending the meetings of the Board and/or its Committees, reimbursement of expenses for participating in the Board and other meetings and Commission as may be recommended by the Board, which shall be within the limits stipulated under Section 197 of the Act subject to the approval of the Members from time to time, if any.

In terms of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS -2") issued by the Institute of Company Secretaries of India, brief profile of Ms. Tanwani and other requisite information, forms part of the **Annexure A** of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, except Ms. Tanwani and her relatives, are in any way concerned or interested (financially or otherwise), in the proposed Ordinary Resolution, except to the extent of their shareholding in the Company, if any.

Considering the above, the Board recommends the resolution as set out at item no. 4 of this Notice with respect to the re-designation and appointment of Ms. Sangeeta Tanwani as a Non-executive Non-Independent Directors of the Company, for approval of the Members of the Company as an Ordinary Resolution.

ANNEXURE A [1]

Details of the Directors seeking Appointment/Re-appointment in terms of Secretarial Standard -2 of the Institute of Company Secretaries of India and Regulations 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(With reference to Item nos. 2 & 4 of this Notice)

Name of the Director	Mr. Aryaman Vikram Birla	Ms. Sangeeta Tanwani
DIN	08456879	03321646
Date of Birth/Age	July 09, 1997/ 29 Years	January 24, 1966/ 60 Years
Date of First Appointment	January 30, 2023, as a Non-Executive Director	February 24, 2021, as the Whole-time Director
Expertise in specific functional areas	• Corporate Governance, Legal & Compliance • Financial Literacy • General Management • Human Resource Development • Industry Knowledge • Technology, Digitisation & Innovation • Marketing • Risk Management • Strategic Expertise • Sustainability	• Financial Literacy • Strategic Expertise • General Management • Industry Knowledge • Marketing • Risk Management • Sustainability • Technology, Digitisation & Innovation
Qualification	a) MBA (Honors), Harvard Business School; b) Masters in Global Finance, Bayes Business School and c) Bachelor of Commerce, University of Mumbai.	a) MBA, University of Pune and b) Bachelor of Pharmacy, University of Mumbai
Brief resume and experience	Aryaman Vikram Birla is a seventh-generation member of the Birla family and part of the leadership team of the Aditya Birla Group. He leads the Group's portfolio strategy agenda, alongside its Fashion, Renewables, Hospitality, and Venture Capital businesses. Aryaman has played a leading role in several of the Group's most important strategic initiatives, spanning landmark acquisitions, primary capital raises, new consumer platforms, venture investments, and global partnerships. Most recently, he spearheaded the Group's $1.8 billion acquisition of Indian Premier League franchise Royal Challengers Bengaluru (RCB), alongside marquee partners including Blackstone, Bolt Ventures, and the Times Group. He has also helped shape the Group's next phase of growth across high-potential sectors. In Renewables, he led Aditya Birla Renewables' primary capital raise from Global Infrastructure Partners, part of BlackRock, one of India's largest primary capital infusions in the renewable energy sector, helping scale the Group's clean energy platform. In Hospitality and consumer lifestyle, he led the acquisition of KA Hospitality and the partnership to bring Joe & The Juice to India, strengthening the Group's presence across premium hospitality and lifestyle brands. Through Aditya Birla Ventures, he has also led minority investments across emerging sectors including consumer products, space technology, fintech, and other high-growth new-age businesses. He serves on the board of the Aditya Birla Management Corporation, the Group's apex decision-making body, and is also a Director on the boards of several key Group Companies. Aryaman holds an MBA with Honours from Harvard Business School. Prior to joining the Aditya Birla Group, he was a first-class cricketer	Sangeeta Tanwani brings over three decades of leadership experience across FMCG, Retail and pharmaceuticals. Since joining the Aditya Birla Fashion and Retail Limited in 2018, she led a strategic transformation of Pantaloons, strengthening brand positioning, product portfolio, retail experience, and adopting a capital-light model to scale successfully in the masstige fashion segment. She spearheaded the Company's entry into the deep-value fashion segment, building Style Up and transforming it into OWND! a youth-focused brand reflecting sharp customer insight and strong understanding of India's evolving fashion landscape.
Terms & Conditions of appointment/ re-appointment	Proposed to be appointed as a Non-Executive Non-Independent Director, liable to retire by rotation.	
Past Remuneration drawn from the Company (FY 2025-26)	Sitting Fees: ₹ 3.75 Lakhs	Remumeration as a Whole time Director: ₹ 7.72 Crores.
Remuneration sought to be paid	Remuneration drawn from the Company shall comprise of the sitting fees paid for attending the Board and/or Committee Meeting and commission, if any.	
Shareholding in the Company as on March 31, 2026	4,25,000 Equity Shares	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Aryamam Vikram Birla is son of Mr. Kumar Mangalam Birla and brother of Ms. Ananyashree Birla, Non-Executive Directors of the Company. He is not related to any of the other existing Directors, Manager or the Key Managerial Personnel of the Company.	Ms. Sangeeta Tanwani is not related to any of the existing Directors, Manager or the Key Managerial Personnel of the Company.
Number of Board meetings attended during FY 2025 - 2026	5 Board Meetings of the Company were held during the year, and Mr. Aryaman Vikram Birla had attended all the Meetings.	5 Board Meetings of the Company were held during the year, and Ms. Sangeeta Tanwani had attended 4 Meetings.

Name of the Director	Mr. Aryaman Vikram Birla	Ms. Sangeeta Tanwani
List of other companies in which Directorship is held[2]	**S. No. / Listed Company(ies):** 1. Hindalco Industries Limited 2. Aditya Birla Lifestyle Brands Limited 3. Grasim Industries Limited **S. No. / Unlisted Company(ies):** 1. Aditya Birla New Age Hospitality Private Limited 2. Aditya Birla New Age Advisory Services Private Limited 3. Aditya Birla New Age Restaurants and Cafe Private Limited 4. Aditya Birla Digital Fashion Ventures Limited 5. Aditya Birla Management Corporation Private Limited 6. Aditya Birla Elixir Private Limited 7. Aditya Birla Renewables Limited	**S. No. / Listed Company(ies):** 1. Sula Vineyards Limited 2. International Gemmological Institute (India) Limited 3. OnEMI Technology Solutions Limited **S. No. / Unlisted Company(ies):** 1. Signify Innovations India Limited 2. Aditya Birla Digital Fashion Ventures Limited
Listed entities from which resigned as a Director in the past three years	None	
Chairperson/Member of the Committee(s) of the Board of Directors of the Company[3]	None	
Chairperson / Member of the Committee(s) of Board of Directors of other Companies in which Director is a Member / Chairperson[3]	None	**Chairperson of Committee(s)** Nil **Membership of Committee(s)** **Audit Committee:** **S. No. / Listed Company(ies):** 1. Sula Vineyards Limited 2. International Gemmological Institute (India) Limited 3. On EMI Technology Solutions Limited **S. No. / Unlisted Company(ies):** 1. Signify Innovations India Limited

Notes:

*(1) Details stated in **Annexure A** are as on the date of the Annual General Meeting notice i.e. July 11, 2026.*

(2) Directorship in other Companies as on date of this Notice excludes this company, foreign companies and companies formed under Section 8 of the Companies Act, 2013.

(3) In terms of the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Chairpersonship and Memberships in committee only includes the Audit Committee and Stakeholders Relationship Committee in other public limited companies (including deemed public company), whether listed or not.

Notes for Members' Attention

1. Explanatory Statements

Pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings issued by Institute of Company Secretaries of India and Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided Explanatory Statements wherever applicable.

2 Virtual Meeting

The Ministry of Corporate Affairs (MCA) inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2022 dated May 5, 2022 and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as ('MCA Circulars'), has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India ('SEBI'), vide Regulations 36, 44 and 58 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') have provided relaxations from compliance with certain provisions relating to the sending of Annual Report to security holders as well as appointing of proxy.

In compliance with the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and MCA Circulars, the 19th AGM of the Company is being held through VC/OAVM on Tuesday, August 25, 2026, at 3:30 p.m. (IST). The deemed venue for the AGM will be the Registered Office of the Company at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400070. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

3. Electronic copy of the Integrated Annual Report and Notice of the 19th Annual General Meeting

a) In compliance with the circulars, Notice of the AGM along with the Integrated Annual Report 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ MUFG Intime India Private Limited ("RTA") / Depositories.

b) Members may note that the Notice of the AGM along with the Integrated Annual Report 2025-26 will also be available on the following websites:

Sr. No	Name	Web address
1.	Aditya Birla Fashion and Retail Limited	www.abfrl.com
2.	BSE Limited	www.bseindia.com
3.	National Stock Exchange of India Limited	www.nseindia.com
4.	MUFG Intime India Private Limited	https://instavote.linkintime.co.in

Additionally, as per Regulation 36(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter providing the web-link of the Integrated Annual Report for the FY 2025-26, will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories/Depository Participants/Registrar and Share Transfer Agent.

4. Register to receive communications electronically

Members are encouraged to register/update their e-mail addresses or mobile number with the relevant Depository Participant.

Members who have not registered/updated their e-mail address or mobile number with the Company but wish to receive all communication (including Integrated Annual Report) from the Company electronically may register/update their e-mail and mobile numbers on http://www.abfrl.com/investors/update-contact-details/ or with the RTA.

5. Directors seeking Appointment/ Re-appointment

Relevant details with respect of Directors retiring by rotation and seeking appointment/re-appointment at the AGM, in terms of Secretarial Standard - 2 on General Meetings issued by Institute of Company Secretaries of India and Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are set out in **Annexure A**, which also form part of this Notice.

6. Proxy

The AGM is being held pursuant to the various circulars issued by MCA and SEBI through VC/OAVM, wherein physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

7. Authorised Representative

Institutional/Corporate Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to Mr. Avinash Bagul / Mr. Kalidas Ramaswami, at ab@bnpassociates.in / kr@bnpassociates.in and support@bnpassociates.in, with a copy marked to the Company Secretary & Compliance Officer at secretarial@abfrl.adityabirla.com .

8. Document (s) open for inspection

Documents required to be kept open for inspection by the Members at the AGM in terms of the applicable laws, shall be made available on https://instameet.in.mpms.mufg.com

The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, ("Act") and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in this Notice will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. Tuesday, August 25, 2026. Members seeking to inspect such documents can send an email to secretarial@abfrl.adityabirla.com mentioning his / her / its folio number / DP ID and Client ID.

9. E-voting

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the Resolutions proposed to be passed at AGM, by electronic means. As per the SEBI circular dated December 9, 2020 in relation to "e-Voting facility provided by the Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/DPs in order to increase the efficiency of the voting process.

The Company has engaged the services of MUFG Intime India Private Limited to provide the remote e-voting facility on InstaVote and the e-voting system on the date of the AGM on InstaMeet.

The Company has appointed Mr. Avinash Bagul, (FCS 5578 & C.P. No. 19862) and failing him Mr. Kalidas Ramaswami, (FCS 2440 & C.P. No. 22856), Partners of M/s. BNP & Associates, Company Secretaries ("Scrutinizer") to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e., remote e-voting and e-voting at the AGM) in a fair and transparent manner. The Scrutinizer's decision on the validity of remote e-voting will be final.

Remote e-voting: Important Dates

Cut-off date (for determining the Members entitled to vote on the resolutions set forth in this Notice)		:	Tuesday, August 18, 2026
Remote e-voting period (During this period, members of the Company as on the cut-off date may cast their vote by remote e-voting)	**Commence from**	:	9:00 a.m. IST, Friday, August 21, 2026
	End at	:	5.00 p.m. IST, Monday, August 24, 2026 (The remote e-voting module shall be disabled for voting thereafter by MUFG Intime India Private Limited)

URL for remote e-voting

Type of shareholder		**E-voting link**
Individual Shareholders holding securities in Demat mode with National Securities Depository Limited ("NSDL")	:	https://eservices.nsdl.com or directly through your depository participant
Individual Shareholders holding securities in Demat mode with Central Depository Services (India) ("CDSL")	:	https://web.cdslindia.com/myeasitoken/Home/Login or https://www.cdslindia.com or directly through your depository participant
Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in Demat mode	:	https://instavote.linkintime.co.in

Remote e-voting: Procedure

(1) Depository: For Individual Shareholders holding securities in demat mode

Step no.	**For Shareholders holding securities with NSDL**	**For Shareholders holding securities with CDSL**
	Registered User	
1.	The URL for users to login for NSDL IDeAS facility: https://eservices.nsdl.com either on a personal computer or on a mobile.	The URL for users to login to Easi / Easiest facility are https://web.cdslindia.com/myeasitoken/Home/Login or https://www.cdslindia.com and click on login icon & New System Myeasi Tab.

Step no.	For Shareholders holding securities with NSDL	For Shareholders holding securities with CDSL
2.	Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.	Login through my easi user id and password.
3.	After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.	After successful login of Easi/ Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., MUFG Intime for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
4.	Click on company name or e-Voting service provider name i.e., MUFG Intime and you will be re-directed to "Instavote" website for casting your vote during the remote e-Voting period.	Click on e-Voting service provider name and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
	First time user	
5.	Option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp	Option to register is available at https://web.cdslindia.com/myeasitoken/Home/EasiRegistration https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration or www.cdslindia.com
	Alternative Method	
6.	Visit the e-Voting website of NSDL. Open web browser by typing the following URL:https://www.evoting.nsdl.com either on a personal computer or on a mobile.	The user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page.
7.	Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.	(Skip step)
8.	A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.	(Skip step)
9.	After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.	(Skip step)
10.	Click on company name or e-Voting service provider name i.e. MUFG Intime and you will be redirected to "Instavote" website for casting your vote during the remote e-Voting period.	The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., MUFG Intime. Click on MUFG Intime and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see

e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting website of InstaVote for casting your vote during the remote e-Voting period to cast your vote without any further authentication.

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk Details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022- 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

(2) Insta Vote: For Individual Shareholders holding securities in physical mode and Institutional Members

Step no.	For first time users of InstaVote OR shareholders holding shares in physical mode	For shareholders holding shares in demat form and existing user of InstaVote
1.	Open the internet browser and launch the URL: https://instavote.linkintime.co.in	
2.	Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - **A. User ID:** Enter your User ID	(Skip step)

Step no.	For first time users of InstaVote OR shareholders holding shares in physical mode		For shareholders holding shares in demat form and existing user of InstaVote
	(i) For members holding shares in demat account held with CDSL	: 16 digits beneficiary ID	
	(ii) For members holding shares in demat account held with NSDL	: 8 Character DP ID followed by 8 digit client ID	
	(iii) For members holding shares in physical form	: EVEN (260475) followed by the Folio number registered with the Company	
	B. Permanent Account Number (PAN): Enter your 10-digit PAN (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.		
	C. Date of Birth (DOB) / Date of Incorporation (DOI): Enter the DOB / DOI (As recorded with your DP / Company - in DD/MM/YYYY format)		
	D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.		
	(i) For members holding shares in demat account held with CDSL	: Shall provide either 'C' or 'D', above	
	(ii) For members holding shares in demat account held with NSDL	: Shall provide 'D' above	
	(iii) For members holding shares in physical form but have not recorded 'C' and 'D' above	: Shall provide their folio number in 'D' above	
3.	Set the password of your choice		
	[The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter].		(Skip step)
4.	Click on 'confirm' and your password will be generated.		(Skip step) [Use your existing password]
5.	click on 'Login' under the 'SHARE HOLDER' tab.		
6.	Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.		
7.	After successful login, you will be able to see the notification for e-voting.		
8.	Select 'View' icon and the e-voting page will appear.		
9.	Refer the Resolution(s) description and cast your vote by selecting your desired option 'Favour / Against'. (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).		
10.	After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.		
11.	Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.		

(3) Remote e-voting : Points to remember

1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'.** They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.
2. If you have forgotten the password:
   - Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
   - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
3. In case shareholders/ members is having valid e-mail address, Password will be sent to his / her registered e-mail address.
4. Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, Bank Account Number (last four digits) etc.
5. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
6. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
7. For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
8. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
9. Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

   In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ("FAQs") and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an e-mail to enotices@in.mpms.mufg.com or contact on: - Tel: 022-4918 6000.

10. Attending the AGM through InstaMeet

Shareholder will be provided with a facility to attend the AGM through VC/ OAVM through InstaMeet. The meeting shall be opened 30 (Thirty) minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

Please note that the attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

Members desiring to attend the AGM through VC/ OAVM are requested to refer to the detailed procedure given below.

Attend the AGM through VC/OAVM: Procedure

Step no.	For all shareholders
1.	Open the internet browser and launch the URL: https://instameet.in.mpms.mufg.com
2.	Select the "Company" and 'Event Date' and register with your following details: -

Step no.	For all shareholders		
	A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No:		
	(i) For members holding shares in demat account held	:	16 digits beneficiary ID,
	(ii) with CDSL	:	8 Character DP ID followed by 8 digit client ID,
	(iii) For members holding shares in demat account held with NSDL For members holding shares in physical form	:	Folio number registered with the Company
	B. PAN: Enter your 10-digit PAN (Members who have not updated their PAN with the DP/Company shall use the sequence number provided to you, if applicable.		
	C. Mobile No.: Enter your mobile number.		
	D. E-mail ID: Enter your e-mail ID, as recorded with your DP/Company.		
3.	Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).		
4.	Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.		

In case shareholders/ members have any queries regarding login, they may send an e-mail to instameet@in.mpms.mufg.com or contact on: - Tel: 022-49186175.

11. Speaker registration for the AGM

1. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance till Wednesday, August 12, 2026 mentioning their name, demat account number/folio number, e-mail ID, mobile number at secretarial@abfrl.adityabirla.com
2. Only those Shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.
3. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
4. Shareholders/ Members who are registered as speakers for the event are requested to download and install the Webex application by clicking on the link www.webex.com/downloads.html (Members may also refer a tutorial video available on www.youtube.com/watch?v=U2C9BVtGVrk).
5. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
6. Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
7. Other Shareholder may ask questions to the panellist, via active chat-box during the meeting.

The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance till Wednesday, August 12, 2026 mentioning their name, demat account number/folio number, e-mail ID, mobile number at secretarial@abfrl.adityabirla.com These queries will be replied to by the Company suitably by e-mail.

12. E-voting during the AGM through InstaMeet

1. Only those shareholders, who are present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
2. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/ OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
3. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

E-voting during the AGM: Procedure

Step no.	For all shareholders
1.	On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2.	Enter your 16 digit Demat Account No./ Folio No. and OTP (received on the registered mobile number/ registered e-mail ID) received during registration for InstaMEET and click on 'Submit'.
3.	After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4.	Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5.	After selecting the appropriate option i.e. Favour/ Against, click on "Save". Then a confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6.	Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an e-mail to instameet@in.mpms.mufg.com or contact on: - Tel: 022-49186175.

13. Other information related to e-voting

a. A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. Tuesday, August 18, 2026 shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

b. Members who have cast their vote by remote e-voting prior to the AGM will be entitled to attend the AGM and their presence shall be counted for the purpose of quorum. However, they shall not be entitled to cast their vote again. In case a member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.

c. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail

hereinabove. They may also refer to the FAQs and e-voting manual available at https://instavote.linkintime.co.in/ (under help section) or write an e-mail to enotices@in.mpms.mufg.com or secretarial@abfrl.adityabirla.com

d. Every client ID no./ folio no. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.

e. The members may also update their mobile number and e-mail ID in the user profile details of their respective client ID no./ folio no., which may be used for sending future communication(s).

14. General Instructions

a. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

b. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

c. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

d. At the AGM, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow e-voting at the AGM.

e. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than two working days of the conclusion of the AGM, Chairman/Director/ Key Managerial Personnel as authorised by the Board for this purpose, who shall countersign the same and declare the result of the voting forthwith.

f. The results shall be declared on or before Thursday, August 27, 2026 and will be displayed along with the Scrutiniser's Report:

   i at the Registered as well as Corporate Office of the Company;

   ii on the website of the Company i.e. www.abfrl.com and

   iii on the website of MUFG i.e. https://instavote.linkintime.co.in and the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com .

15. Correspondence

Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or RTA, quoting their folio number or DP ID - client ID, as the case may be.

16. Information for Non-Resident Indian Shareholders

Non-resident Indian shareholders are requested to immediately inform the Company/ RTA, if shares are held in physical mode or to their DP, if the holding is in electronic mode, regarding change in the residential status on return to India for permanent settlement and/ or the particulars of the NRE account with a bank in India, if not furnished earlier.

17. Information related to Investor Education and Protection Fund ("IEPF")

The Members, whose unpaid or unclaimed amounts have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

18. Information to Shareholders

As per the provisions of Section 72 of the Act, facility for making nominations is now available to Individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's Secretarial Department at its Registered Office or MIIPL or can download the form from website of the Company. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.

19. MEMBERS ARE REQUESTED TO PLEASE READ THE "COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS" PROVIDED IN THE "GENERAL SHAREHOLDER INFORMATION" SECTION OF THE INTEGRATED ANNUAL REPORT FOR 2025-26.

By Order of the Board

Sd/-
Rajeev Agrawal
Company Secretary & Compliance Officer
Membership No.: A18877

Place: Mumbai
Date: July 11, 2026

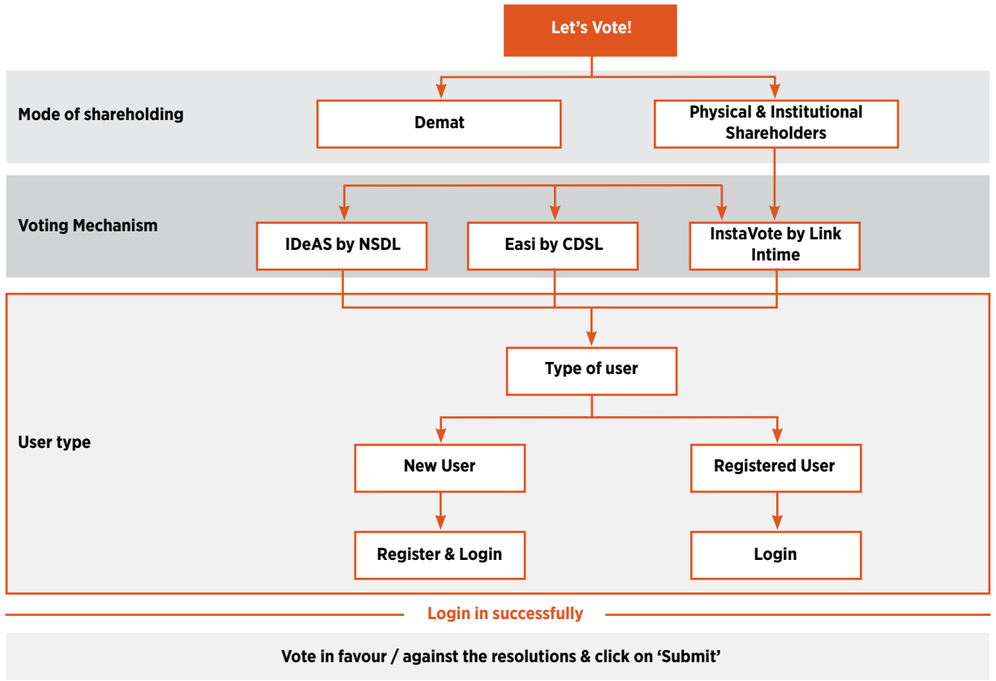
Important Dates

Dates	Events
Wednesday, August 12, 2026	Last day to register as speaker or send queries
Tuesday, August 18, 2026	Cut-off Date to determine the members who shall be entitled to vote on the resolutions set forth in this Notice.
Friday, August 21, 2026	Commencement of remote e-voting at 9:00 a.m. IST
Monday, August 24, 2026	End of remote e-voting at 5:00 p.m. IST
Tuesday, August 25, 2026	Date of AGM and Participate in AGM @ 3:30 p.m. IST via insta meet or webex
On or before Thursday, August 27, 2026	Announcement of voting results.

Virtual Guide

E-voting **Commence from** : 9:00 a.m. IST, Friday, August 21, 2026

End at : 5.00 p.m. IST, Monday, August 24, 2026



GLOSSARY OF ABBREVIATIONS

ABFRJKT	Aditya Birla Fashion and Retail Jan Kalyan Trust
ABFRL	Aditya Birla Fashion and Retail Limited
ABLBL	Aditya Birla Lifestyle Brands Limited
ABG	Aditya Birla Group
APS	Announced Pledges Scenario
AI	Artificial Intelligence
BCI	Better Cotton Initiative
BCP	Business Continuity Planning
BRC	Business Review Council
BRSR	Business Responsibility and Sustainability Report
BSI	British Standards Institution
CAPA	Corrective and Preventive Actions
CAPEX	Capital Expenditure
CEE	Centre for Environment Education
CEO	Chief Executive Officer
CEP	Continuing Education Policy
CFCs	Common Facility Centres
CII	Confederation of Indian Industry
CISO	Chief Information Security Officer
CMS	Complaint Management System
CoE	Centre of Excellence
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPCB	Central Pollution Control Board
CRM	Customer Relationship Management
CRO	Chief Risk Officer
CRISIL	Credit Rating Information Services of India Limited
CSR	Corporate Social Responsibility
CSO	Chief Sustainability Officer
CVRS	Customer Voice Response System
DG	Diesel Generator
DLP	Data Loss Prevention
DR	Disaster Recovery
EAP	Employee Assistance Programme
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EDR	Endpoint Detection and Response
EDGE	Equity, Diversity and Gender Equality
EDLI	Employees Deposit Linked Insurance
EHS	Environment, Health and Safety
EPFO	Employees Provident Fund Organisation
ERP	Enterprise Resource Planning
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
EVP	Employee Value Proposition
FEM	Facility Environmental Module
FSC	Forest Stewardship Council
FY	Financial Year
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GRS	Global Recycled Standard
GTM	Go-To-Market
HDPE	High-Density Polyethylene
HIRA	Hazard Identification and Risk Assessment
HR	Human Resources
HVAC	Heating, Ventilation, and Air Conditioning
IASB	International Accounting Standards Board
IBAT	Integrated Biodiversity Assessment Tool
ICCE	International Council for Circular Economy
ICEF	International Circular Economy Forum
IC	Internal Complaints Committee

GLOSSARY OF ABBREVIATIONS

IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IGBC	Indian Green Building Council
IHM	Institute of Hotel Management
IR	Integrated Reporting
ILO	International Labour Organization
IoT	Internet of Things
IPCC	Intergovernmental Panel on Climate Change
IRCC	Integrated Reporting and Connectivity Council
ISAE	International Standard on Assurance Engagements
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
ITIL	Information Technology Infrastructure Library
KL	Kilolitre
LCA	Life Cycle Assessment
LEED	Leadership in Energy and Environmental Design
LLM	Large Language Model
LOTO	Lockout–Tagout
LTIFR	Lost Time Injury Frequency Rate
LTIR	Lost Time Injury Rate
MIS	Management Information System
MoC	Management of Changes
MRSL	Manufacturing Restricted Substance List
MSME	Micro, Small and Medium Enterprise
MT	Metric Tonnes
NGO	Non-Governmental Organisation
NIST	National Institute of Standards and Technology
NPS	Net Promoter Score
NULM	National Urban Livelihood Mission
NZE	Net Zero Emissions
OCP	Operating Control Procedures
ODS	Ozone - Depleting Substances
OHC	Occupational Health Centre
OHI	Occupational Health Index
OHS	Occupational Health and Safety
OSHA	Occupational Safety and Health Administration
PAT	Profit After Tax
PII	Personally Identifiable Information
PM	Particulate Matter
PLA	Polylactic Acid
PLM	Product Lifecycle Management
POSH	Prevention of Sexual Harassment
PPE	Personal Protective Equipment
PPP	Purchasing Power Parity
QCC	Quality Care Cell
QIN	Quality Index Number
QMS	Quality Management System
QPI	Quality Performance Index
RCP	Representative Concentration Pathway
RMSC	Risk Management and Sustainability Committee
ROS	Rate of Sale
RSU	Restricted Stock Units
RSEMS	Real-Time Safety Equipment Monitoring System
RSL	Restricted Substance List
RYT	Retail Young Talent Programme
SA 8000	Social Accountability 8000
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal
SDS	Sustainable Development Scenario

GLOSSARY OF ABBREVIATIONS

SEBI	Securities and Exchange Board of India
SIEM	Security Information and Event Management
SLP	Service Level Agreements
SOP	Standard Operating Procedure
SPCB	State Pollution Control Board
SSI	Supplier Sustainability Index
SSP	Shared Socioeconomic Pathway
STEM	Science, Technology, Engineering and Mathematics
STEPS	Stated Policies Scenario
STP	Sewage Treatment Plant
TCFD	Task Force on Climate-related Financial Disclosures
TJ	Terajoule
TMC	Technology Management Centre
TNFD	Task Force on Nature-related Financial Disclosures
ToT	Training of Trainers
TQM	Total Quality Management
TRIR	Total Reportable Injury Rate
UNGC	United Nations Global Compact
UN SDGs	United Nations Sustainable Development Goals
USGBC	U.S. Green Building Council
VPQI	Vendor Quality Performance Index
WAF	Web Application Firewall
WBCSD	World Business Council for Sustainable Development
WRAP	Worldwide Responsible Accredited Production
ZDHC	Zero Discharge of Hazardous Chemicals
ZLD	Zero Liquid Discharge

Registered Office:
Piramal Agastya Corporate Park, Building 'A', 4th & 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070

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