



Stronger Core. Wider Horizons.

SARTHAK METALS LIMITED
Annual Report **2025-26**

Stronger core. Wider horizons.

Steel is judged by how it performs under load. Companies are judged the same way. After three demanding years, FY26 saw Sarthak Metals return to growth, with a stronger core business performance and new engines beginning to deliver financial results. The strength we preserved through the downturn is now finding direction.



India remained one of the world's most attractive steel markets through the year, supported by sustained investments in infrastructure, railways, housing, and manufacturing. Yet parts of the value chain, particularly specialised downstream products, continued to face unfair competition and pricing distortions. Against this backdrop, our flagship cored wire business grew volumes by 14%, Revenue from Operations rose 8% to ₹192 Crore, and our welding consumables division completed its first full year with revenue of ₹16 Crore, ahead of our expectations.

Discipline remained the common thread through the year. We continued to prioritise profitability over volume, strategically holding back in segments where commercial viability stayed under pressure, such as aluminium flipping coils, while strengthening engagement with key customers in the businesses that showed resilience and growth.

Diversification, the path we chose to reduce reliance on traditional revenue streams and dependence on one end-user industry, is

taking root. Flux Cored Wire, our welding consumables business, is built on the same manufacturing competencies that anchor our core operations. In its first full year, it sold more than 1,400 tonnes and secured RDSO approval from Indian Railways. This is about more than a wider product portfolio; it deepens our relevance in the industry, unlocks new markets, and positions us to serve India's growing infrastructure sector with quality welding consumable products.

Through this period of transition, our commitment to responsible operations, resource optimisation, and ethical conduct has stayed resolute, underpinning our pursuit of long-term value creation for all our stakeholders.

Heat and pressure give steel its strength. They have done the same for Sarthak Metals, and we now move forward more focused and determined than ever.

With a stronger core and wider horizons, our business is built not just to endure, but to grow.

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 For more information:
www.sarthakmetals.com

Forward Looking Statement

This Annual Report contains forward-looking statements intended to help investors understand our future prospects and make well-informed investment decisions. These statements, which may be found in this report as well as in other written or oral communications we issue periodically, reflect anticipated outcomes based on the management's current plans, assumptions, and expectations. Where possible, such statements are identified by terms like 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe', and similar expressions relating to future performance.

While we believe these assumptions are reasonable and have exercised due caution in formulating them, we cannot guarantee that the outcomes will be achieved. Actual results may differ materially from those expressed or implied due to risks, uncertainties, and unforeseen factors or inaccuracies in the assumptions. Investors are advised to consider these risks carefully. We undertake no obligation to update any forward-looking statements publicly, whether due to new information, future events, or otherwise.

Setting the standard in metallurgical solutions

Among India's foremost manufacturers of cored wires and aluminium flipping coils, Sarthak Metals Limited (SML) is a distinguished entity of the ₹650+ Crore Desraj Bansal (DB) Group. The Company has also built an emerging presence in welding consumables through its flux cored wires product category. Steelmakers across the country regard SML as a trusted partner in contemporary steel metallurgy, valued for its reliability and precision.

SML's story began in 1995 as an industrial gas manufacturer under the DB Group. A strategic transition in 2002 took the Company into cored wire production, and it has consistently advanced metallurgical processes within the steel sector ever since. Today, SML delivers state-of-the-art wire injection technologies to steelmakers nationwide.

Manufacturing and exporting cored wires and aluminium flipping coils forms the core of our operations. These essential consumables enhance and refine steel quality, and are vital to achieving the precise chemical compositions that modern steel manufacturing demands. We complement this portfolio with advanced wire injection systems, which enable clients to inject cored wires into molten steel with superior control and consistency.

From consumables supplier to comprehensive provider of metallurgical solutions, and now a growing presence in welding consumables, SML's evolution is evidence of its resilience, adaptability, and commitment to results.

Located where it matters

Bhilai, Chhattisgarh, at the heart of one of India's largest steel ecosystems, is home to our ISO 9001:2015 certified manufacturing facilities. This location delivers logistical efficiency and puts us in close proximity to some of the nation's largest steel producers, many of whom regard us as their preferred supplier.

Engineering excellence and metallurgical expertise shape every product and solution we deliver. Our uncompromising standards for quality are the foundation on which our clients' trust rests.

Quality, engineered into everything

Steel manufacturing allows no margin for error. Quality therefore defines our identity at Sarthak Metals rather than being merely a requirement, and we uphold rigorous quality assurance protocols, including:

- Thorough quality checks at every stage of production
- An in-house laboratory dedicated to testing raw materials and finished products
- Uncompromising adherence to international quality standards

This consistent focus on performance has won us the confidence of India's leading steel manufacturers and enabled our successful expansion into global markets.

Reshaping the business for resilience

Steel is a cyclical industry, and SML is proactively transforming its business model so that resilience and sustainable growth do not depend on how any one particular industry performs. Our strategic initiatives include:

- Building a broader metallurgical solutions portfolio
- Growing our welding consumables business to address opportunities in fabrication and specialised welding applications
- Deepening our presence in the foundry and fabrication sectors, opening customer segments beyond traditional steel manufacturing

Together, these moves position SML to capture a greater share of the value chain within its existing business, scale newer categories such as welding consumables, and mitigate sector-specific risks.



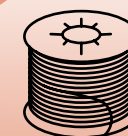
Vision

Our vision captures the shared aspiration and united purpose that drives everyone at Sarthak Metals:

- New benchmarks in product quality and services for domestic and global customers
- Create an environment to promote constant innovation to add value to customers
- Set high ethical standards among domestic and global marketplace to be recognised as a preferred vendor

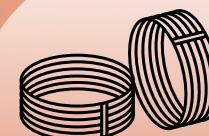


SML at a glance



10,000
TPA

Production capacity for Cored Wires



3,600
TPA

Production capacity for Flux Cored Wires



15,000
TPA

Production capacity for Aluminium Flipping Coil



15+

Countries in our growing global footprint



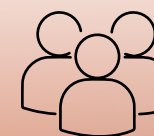
150+

Customers served till date



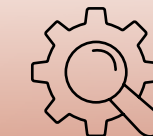
debt-free

Virtually debt-free balance sheet (0.05x debt to equity)



425+

Committed workforce



5

Member R&D team

Strength across metals and energy

Our roots run deep in India’s steel heartland as the flagship entity of the esteemed Desraj Bansal Group (DB Group), a ₹650+ Crore business conglomerate whose distinguished legacy spans over 5 decades in the metallurgy and energy sectors. With 5 advanced manufacturing facilities and 3 core business entities, the Group exemplifies industrial leadership.

Industrial oxygen and carbon dioxide production marked the Group’s beginnings, addressing the growing metallurgical demands of neighbouring industries. From that foundation, and driven by a commitment to innovation, the portfolio has strategically widened into advanced metallurgical solutions. Ferro Titanium under the Ferro Alloy Division came first, followed over time by cored wires, aluminium flipping coils, wire feeder machines and, most recently, welding consumables under the leadership of SML.

At the centre of India’s steel belt

Bhilai, Chhattisgarh houses all 5 of our state-of-the-art facilities, giving us direct access to some of India’s largest steel producers. This positioning lets us serve industry leaders as their preferred metallurgical partner, with faster delivery, reduced logistics costs, and seamless collaboration.

Trust earned over decades

Domestic and global clients alike have placed lasting confidence in the DB Group. With revenues exceeding ₹650 Crore in FY26, we continue to

reinforce our leadership in metallurgical consumables, supplemented by our energy solutions. Combining financial strength with customer-centric solutions continues to set us apart in a competitive landscape.

Growing responsibly

Profitability is only part of our mandate; responsible growth is the other. The Desraj Bansal Group actively supports initiatives in education, healthcare, and environmental sustainability, and carries a people-first philosophy across all campuses and project sites, with a steadfast focus on health, safety, and social responsibility.



The Group’s three entities

Three dynamic entities make up the DB Group, each contributing strategically to our growth trajectory:

1

Sarthak Metals Limited Leading the way



Advanced metallurgical solutions are SML’s domain within the Group. As India’s leading manufacturer of metallurgical cored wires and aluminium flipping coils, the Company meets the critical needs of steelmakers with precision, efficiency, and uncompromising quality. Its recent diversification into welding consumables opens the next phase of growth.

Capacities:

10,000 TPA
Cored Wires

15,000 TPA
Aluminium Flipping Coil

3,600 TPA
Flux Cored Wires

2

Bansal Brothers Specialty alloy expertise



Bansal Brothers, established in 2007, carries the Group’s expertise in specialty ferro alloys. This ISO 9001:2000 certified unit commenced operations in 2009 and ranks among India’s most trusted producers of Ferro Titanium and other essential alloys, with a name synonymous with quality and reliability in the ferro alloy manufacturing sector.

11,000 TPA
Installed Capacity

Catering to
**FERROUS AND
NON-FERROUS**
sectors alike

3

Sarthak Energy Private Limited Clean energy in action



Sustainability finds expression in Sarthak Energy. With a 2 MW renewable energy generation capacity located in Bhilai, it supplies clean energy to the state grid through long-term power purchase agreements (PPAs). Its solar installations demonstrate how industrial growth and environmental stewardship can advance together.

2 MW
Solar energy assets

Power off take via state
PPAs

Three decades of forward motion

Innovation, strategic foresight, and a strong commitment to quality have defined our path from modest beginnings to a trusted name in the metallurgical consumables industry.

Evolution at SML is a continuous mindset, not a one-time event. For nearly 3 decades, we have consistently adapted to the dynamic needs of the metallurgical sector, creating enduring value for our customers, shareholders, and stakeholders.

1995

Where It Began

Sarthak Metals Marketing Private Limited was born in 1995 with the establishment of an industrial gases unit in Bhilai, Chhattisgarh. Supplying oxygen and carbon dioxide to regional industries, this initial venture addressed a critical need in the local metallurgical ecosystem.

2002

The Cored Wire Leap

Steelmakers' evolving requirements prompted our strategic entry into cored wire manufacturing. Our first in-house cored wire mill marked the foray into metallurgical consumables, delivering modern solutions that enhanced both steel quality and operational efficiency.

2008

Widening the Portfolio

Aluminium flipping coils were added to our product portfolio in 2008, further strengthening our position as a holistic metallurgical solutions provider. A keen understanding of industry trends and a commitment to delivering integrated value drove this diversification.

2012

Turnkey Capability

Cored wire injection systems arrived in 2012, streamlining steelmaking processes for our clients through turnkey solutions that seamlessly combined products and technology.

2016

A New Identity

We rebranded as Sarthak Metals Private Limited in 2016, aligning our identity with our expanded capabilities and diversified ambitions.

2017

Going Public

A successful IPO on the BSE SME Exchange made us a publicly listed company in 2017. Beyond access to capital markets, the milestone reflected investors' confidence in our vision and potential.

2018

Integrating Backward

Aluminium wire rod production commenced in 2018, initiating backward integration. The move enhanced our control over raw material sourcing and strengthened our capabilities in the aluminium flipping coil segment.

2021

Moving to the Mainboard

November 2021 brought a pivotal migration to the mainboard of BSE and NSE. The transition provided greater visibility, broader investor participation, and reinforced our market positioning.

2022

A Revenue Landmark

We surpassed the ₹450 Crore revenue mark for the first time in FY22, underscoring the robustness of our business model.

2023

Into Welding Consumables

The launch of Flux Cored Wires in FY23 took us beyond metallurgical consumables into the welding consumables segment, supporting India's Atmanirbhar Bharat initiative.

2024

Stepping into Biotechnology

We ventured into biotechnology in 2024 with a pilot R&D facility in Nagpur, Maharashtra, focused on alternate energy applications such as bioethanol and biogas.

2025

Scaling Up for Demand

Robust market demand led us to triple the production capacity of our Flux Cored Wires division, from 1,200 TPA in FY24 to 3,600 TPA in FY25.

2026

Welding Consumables Completes Full-FY of Operations

FY26 marked the first full year of our welding consumables business, which delivered ₹16 Crore in revenue and received RDSO approval from Indian Railways in April 2025.



PRODUCT PORTFOLIO

Grounded in metallurgy. Growing beyond it.

Three decades of industry expertise, continuous innovation, and enduring customer relationships have shaped our product portfolio. A steadfast commitment to value-added metallurgical solutions has established us as a trusted partner, synonymous with process reliability, chemical precision, and operational excellence in steelmaking.

Our four product families

- 1 Cored Wires
- 2 Aluminium Flipping Coils
- 3 Wire Injection Systems
- 4 Flux Cored Wires

Our Key Product Categories Include:



1

Cored Wires

Continuous steel tubes filled with alloy powders, our cored wires are precisely formulated to meet specific steel grades and processing requirements. Injected into molten metal with pinpoint accuracy, they facilitate essential chemical transformations.

Compared with traditional single-shot alloy addition, cored wires ensure homogeneous dispersion, minimise wastage, and offer enhanced metallurgical control. The result is improved productivity, superior steel cleanliness, and greater consistency, all key differentiators in today's competitive market.



2

Aluminium Flipping Coils

Essential to steel deoxidation, our Aluminium Flipping Coils are renowned for their performance and cost-effectiveness, ensuring the production of clean, high-grade steel.

Cored Wires, Aluminium Flipping Coils, and Wire Injection Systems make up our comprehensive range, designed to optimise steel properties and metallurgical outcomes across critical industries. From deoxidation to grain refinement, these solutions introduce specific characteristics that enable the production of diverse steel grades tailored to evolving market needs.

Flux Cored Wires, our recent addition, are designed to create durable welding joints for industrial and heavy-duty applications. The category marks a strategic expansion beyond core metallurgy, positioning us in the industrial welding segment and supporting the infrastructure and fabrication sectors. Robust R&D, stringent quality controls, and deep metallurgical insight underpin every product, making Sarthak Metals a collaborative solutions partner, and not merely a preferred vendor, for steel producers, foundries, fabricators, and infrastructure developers.



Core functions:

- Steel refining
- Alloy addition
- Deoxidation
- Desulphurisation
- Denitrification
- Dephosphorization

Through these processes, our cored wires contribute directly to producing high-quality steel with tailored characteristics and mechanical properties.

Application industries:

- 1. Steel
- 2. Stainless Steel
- 3. Foundries

Product range:

- Calcium Silicide
- Calcium Iron
- Calcium Aluminium Iron
- Calcium Solid Wire
- Lead Cored Wire
- Ferro Titanium
- Carbon
- Ferro Boron
- Magnesium Ferrosilicon
- Nitride Manganese
- Ferro Niobium

Key benefits:

- Grain refinement
- Nitride formation
- Enhanced drawing quality
- Strengthening low-carbon steels

The 'pancake' ferrite grains that aluminium helps form are critical for automotive and industrial-grade steels. Compared with ingots or notch bars, our coils offer superior economy, precision, and operational convenience, making them indispensable in efficient steel plants.

Application industries:

- 1. Steel Mills
- 2. Flat and Long Product Manufacturers
- 3. Automotive-Grade Steel Producers

PRODUCT PORTFOLIO



3 Wire Injection Systems

Wire Injection Systems (Feeder Machines) complete our value chain, enabling the precise delivery of cored wires into molten steel. These systems exemplify our commitment to end-to-end solutions.



Product range:

Our customised machines comes in 1-strand, 2-strand and 4-strand configurations, capable of feeding wires from 5 mm to 18 mm in diameter at speeds up to 300 metres per minute. They ensure seamless control over alloy injection and metallurgical transformation, enhancing both quality and yield.

With India's steel manufacturing capacity expanding, we are actively deploying these systems across client facilities. This forward-integrated approach builds long-term partnerships, deepens our integration into customers' production value chains, and drives consistent, repeat business.

As we diversify our offerings and deepen our presence in the infrastructure and heavy engineering sectors, this segment stands out as a significant growth driver.



4 Flux Cored Wires

Flux Cored Wires mark our strategic entry into industrial welding applications and support the shift towards import substitution in a segment traditionally reliant on imports. Built on Flux Core Arc Welding (FCAW) technology, these wires form a protective gas shield, enabling high-efficiency welding even in challenging outdoor environments.



Key benefits:

- Higher deposition rates
- Stronger weld joints
- Excellent bead appearance
- Superior mechanical toughness and impact values



Product range:

- Seven grades across three product families:
- Carbon Steel
 - Stainless Steel
 - Hardfacing

Application Industries:

1. Shipbuilding
2. Infrastructure & Construction
3. Fabrication Workshops
4. Mechanical Engineering
5. Hardfacing & Surfacing Applications

A wider canvas for our capabilities

Steel has been the bedrock of Sarthak Metals’ legacy, with our metallurgical solutions empowering steelmakers to enhance quality, optimise costs, and improve yields. The manufacturing landscape is evolving, and so are we. Flux Cored Wires (FCWs) open a new chapter that extends our expertise beyond traditional industries into a high-potential domain, positioning us to leverage the growth opportunities in the welding consumables sector, especially in fabrication, infrastructure and beyond.

Purpose behind the pivot

Deliberate and forward-looking, our entry into the FCW market leverages our core manufacturing expertise in cored wires and allows us to benefit from India’s growing infrastructure boom.



Moving Past Core Metallurgy

FCWs extend our portfolio into applications where industrial welding is critical. This diversification reduces reliance on the cyclical nature of the steel sector, broadens our addressable market, and enhances revenue stability.



Building on Technical Strength

Our established proficiency in cored wire manufacturing provided a strong foundation for success in the FCW segment. Robust process know-how and quality control systems ensured rapid learning and accelerated time-to-market.



Riding India’s Infrastructure Wave

Construction, shipbuilding, automotive, and power projects across India continue to fuel demand for reliable, high-performance welding consumables. Sarthak Metals is poised to meet this demand with its advanced FCW solutions.



Offering a Strong Value Proposition

Sophisticated chemical formulations place FCWs, high-value and precision-engineered consumables, in a premium market segment. Our metallurgical credentials position us to deliver superior products with attractive margins.



Advancing Import Substitution

India still meets much of its FCW demand through imports, particularly from China. Our foray aligns with the nation’s vision of industrial self-reliance (Atmanirbhar Bharat) and targets a significant opportunity for indigenous manufacturing, one that Sarthak Metals is primed to capture.



The science inside the wire

Integral to Flux Core Arc Welding (FCAW), Flux Cored Wires represent a sophisticated class of welding consumables. A flux-filled core sits within a metal sheath which, upon melting, generates a protective gas shield around the weld joint, ensuring superior strength, efficiency, and finish.

Product benefits:

- Accelerated welding through high deposition rates
- Clean welds with an aesthetically appealing finish
- Well suited to welding thicker sections
- High mechanical strength and impact resistance
- Alloy compositions customisable for specialised applications
- Strong tolerance to surface impurities, minimising preparation work

Serving demanding industries

Engineered to perform in demanding environments, our FCWs serve:



Fabrication workshops and mechanical industries



Heavy engineering and construction projects



Shipbuilding and automotive manufacturing



Structural steel welding



Hardfacing and wear-resistant surfacing



Welding of carbon, alloy, stainless, and duplex steels



NEW FRONTIER: FLUX CORED WIRE

A market moving in our favour
FCW market dynamics remain robust and expanding:

India's Infrastructure Boom
Metro rail, highways, ports, and energy projects at scale are driving demand for fast, reliable, high-strength welding solutions.

Complex Welding Requirements
Shipbuilding, railways, and defense need FCWs to weld thicker, more challenging materials, beyond the capabilities of traditional solutions.

Faster Project Turnarounds
Higher welding speeds and reduced downtime make FCWs the preferred choice for project managers.

Technological Advancements
Ongoing innovation in flux chemistry and alloy design keeps broadening the scope of FCWs for both general and mission-critical applications.

More than a business expansion, our FCW journey is a strategic alignment with the national agenda for industrial self-reliance. With India currently importing the majority of its FCW requirements, predominantly from China, we offer a credible, high-quality domestic alternative.



Scale, achieved and delivering

FY24: Commissioned a FCW facility	FY25: Expanded capacity to
1,200 TPA	3,600 TPA
FY26: First full year at expanded capacity, with more than	
1,400 Tonnes	₹16 Crore
Sold	Annual sales

This scale-up aligns with the global China+1 strategy, enhancing India's manufacturing resilience and providing a reliable local source for FCW consumers. Our products are supported by key certifications and vendor approvals, underscoring our commitment to quality and global standards.



Certified and approved
Seven grades across 3 categories, carbon steel, stainless steel, and hardfacing wires, currently make up our FCW range. All our FCW products are manufactured under stringent quality standards and certified for industrial reliability:



These accreditations open access to major institutional and government procurement opportunities.

The road from here
Far more than a product launch, our entry into flux cored wires marks a strategic leap into the future of industrial manufacturing. By combining our metallurgical expertise with advanced welding technology, we deliver solutions that support India's growth story, foster self-reliance, and establish Sarthak Metals as a leader beyond the steel sector.

Powering India's self-sufficiency agenda is a matter of pride for us, as we reduce import dependence and provide high-performance, locally manufactured alternatives that meet global benchmarks.



MANUFACTURING EDGE

Built for precision. Ready for scale.

Purpose-built, efficiency-driven, and primed for scalable growth, our manufacturing infrastructure is the cornerstone of the superior metallurgical solutions we deliver to India’s leading steel producers. Robust facilities, strategic client proximity, an advanced laboratory, and a forward-looking approach to sustainability consistently elevate our position as a preferred partner across the steelmaking value chain.

Placed for operational synergy

Bhilai, Chhattisgarh, India’s steel heartland, is home to our 3 state-of-the-art manufacturing facilities. Proximity to major clients enables seamless coordination, efficient logistics, and rapid response times. Spanning a cumulative area of approximately 4,50,000 sq. ft., with dedicated space for future expansion, the facilities support all our product verticals: Cored Wires, Aluminium Flipping Coils, and Flux Cored Wires. Operational efficiency and scalability inform every aspect of plant design.

Engineering precision from within

Advanced machinery runs across each facility, much of it designed and developed by our in-house engineering teams. Tailoring equipment to specific product requirements gives us stringent process control and consistent quality outcomes. Our in-house workshop sustains this autonomy, enabling us to uphold the precision standards our clients expect.

Capacity with headroom

Scale and agility get equal weight in our operations. Our installed manufacturing capacities as of FY26 are:

Cored Wires:	Aluminium Flipping Coils:
10,000 TPA	15,000 TPA
Across 4 lines	Across 3 lines

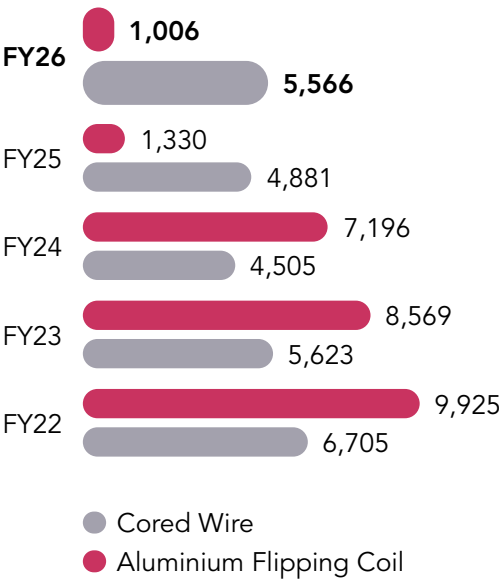
Flux Cored Wires:

3,600 TPA
Across 3 lines

With demand for Flux Cored Wires continuing to build, we are targeting annual sales of ₹25 Crore from the segment next year and will evaluate further capacity additions in line with our strategic vision of import substitution and increasing domestic market share.



Production Trend
(In TPA)



Bulk orders can be fulfilled promptly and dynamic market demands met with minimal lead times on the strength of this warehousing capability, reinforcing our reputation as a reliable supplier to India’s top steel mills.

Greener ways of making

Sustainability runs through our operations. A 400 KW solar power plant commissioned at our premises reduces reliance on conventional energy and cuts electricity expenses by nearly 50% through captive consumption. We also incorporate recycled aluminium scrap in our Aluminium Flipping Coil production; producing aluminium from scrap consumes only 5% of the energy required for extraction from ore, significantly reducing our energy footprint. These initiatives reflect our commitment to responsible growth and environmental stewardship.

Precision engineering, operational excellence, and a commitment to quality and sustainability define our manufacturing edge, enabling solutions that are engineered to perform and built to last.

Quality, testing, and R&D at the core

Our manufacturing philosophy rests on quality assurance. All facilities are ISO 9001:2008 certified and house a fully equipped, state-of-the-art chemical laboratory, including WD-XRF that enables rigorous testing of both raw materials and finished products for precise chemical composition.

Product innovation and process optimisation come from our experienced R&D team, which develops new industrial formulations and refines methodologies to enhance product performance and cost efficiency, a competitive advantage we extend to our clients.

Dependable warehousing and supply

Product quality means little without reliable supply. Our warehousing infrastructure in Bhilai keeps material and finished goods flowing without interruption, with storage capacities as follows:

Cored Wires:	2,000+ Tonnes
1,500 Sq. M.	
Aluminium Flipping Coils:	4,000+ Tonnes
2,800 Sq. M.	
Flux Cored Wires:	
1,000 Sq. M.	



LETTER TO SHAREHOLDERS

Recovery, discipline, and new growth engines



Dear Shareholders,
FY26 was the year our discipline began to pay off. After three demanding years, your Company returned to growth: revenue rose, our core business regained momentum with volume growth cored wires, and the new engines we have been building started to deliver in earnest. I am pleased to share an account of the year gone by and the path we are charting ahead.

A steel market of contrasts
India remained one of the most attractive long-term steel markets globally, supported by sustained investments in infrastructure, railways, housing, manufacturing, and government-led capital expenditure. Policy support strengthened as well; the 12% safeguard duty introduced in 2025 and stricter quality norms have raised the industry's quality benchmark. At the same time, global steel prices near five-year lows kept imports competitive, and persistent unfair competition and pricing distortions continued to affect parts of the value chain, particularly specialised downstream products. The year, therefore, demanded both resilience and restraint from suppliers like us. We exercised both.

India remained one of the most attractive long-term steel markets globally, supported by sustained investments in infrastructure, railways, housing, manufacturing, and government-led capital expenditure.

Core business regaining ground
Our flagship cored wire business grew volumes by a healthy 14% in FY26, despite challenging industry conditions, with fourth-quarter volumes rising 32% year-on-year. The market continues to be tested by sub-par quality products and inadequate service standards; our strategic answer to this has been knowledge-driven marketing, reliable technical support, and consistent product performance. These efforts are yielding results, and we remain focused on deepening engagement with the key customers who form the backbone of our business.

In aluminium flipping coils, we consciously stayed away from unviable price competition. The segment remained subdued through the year amid significant overcapacity and difficult domestic market conditions, and staying out of unreasonable price competition protected our profitability. The fourth quarter brought an encouraging recovery, with healthy volumes growth, and we are prepared to normalise operations once market conditions stabilise and commercial viability improves.

Welding consumables: from venture to growth driver
Our welding division has emerged as one of our core growth drivers. In its first full year of operations, it recorded revenue of ₹15.7 Crore, surpassing our expectations, with average monthly volumes exceeding 115 tonnes and more than 1,400 tonnes sold during the year. The RDSO approval received in April 2025, alongside our BIS certification, is a powerful endorsement of product quality and opens doors with major construction and engineering companies. Our dealer network has grown to more than 10 dealers across more than five states, contributing around 90% of the division's sales currently, with repeat orders rising as our brands gain traction. Demand from the fabrication and construction sectors remains robust. Going forward, we are confident of achieving annual sales of ₹25 Crore in the near term and expect margins to improve as the brand establishes itself further.

Biotechnology: patient, purposeful progress
Our biotechnology initiative moved from plan to practice. The Solid State Fermentation (SSF) pilot facility in Nagpur became operational, with the first fermentation batch commencing in May 2025. We are in discussions with leading ethanol distilleries to integrate our technology solutions, aimed at improving fermentation efficiency, lowering operating costs, and supporting cleaner, greener ethanol production. The government's fuel blending programme has created a bio-consumables opportunity we estimate at over

₹1,000 Crore. Given significant capacity additions across the ethanol industry in recent years, we remain measured in our approach, emphasising capital discipline while the segment's long-term potential takes shape.

A stronger financial footing
Our financial performance reflected the year's gradual recovery. Revenue from operations grew 8% to ₹192.25 Crore. Operating profit (EBITDA excluding other income and exceptional items) improved to ₹7.90 Crore from ₹7.00 Crore, with margins moving up to 4.1% from 3.9%, and profit after tax rose 12% to ₹4.61 Crore. Our balance sheet remains virtually debt-free, with healthy reserves, giving us the flexibility to fund our new growth areas from a position of strength, without straining our resources.

Operating responsibly and efficiently
Sustainability is no longer a distant consideration; regulations such as the EU's carbon border adjustment mechanism (CBAM) are imminent realities, and the Indian steel industry must also move towards going green. Our 400 KW solar power plant continues to meet a meaningful share of our energy needs captively, reducing electricity costs by nearly 50%, while over 75% of our aluminium production uses recycled scrap. As we grow, our commitment to integrating sustainable practices across all our divisions, old and new, will only deepen.

The road ahead
The vision we articulated two years ago, to evolve from a steel consumables supplier into a diversified company, is now our operating reality. We stand on three pillars: a core business of cored wires and aluminium flipping coils, welding consumables as a quality-driven growth engine, and biotechnology as a future frontier. Because our core is tied to steel-led cycles while our newer ventures follow infrastructure-driven trends, this portfolio gives us a measure of protection against cyclicalities. With India's long-term steel story intact, targeting 300 million tonnes of capacity by 2030, we look ahead with measured optimism.

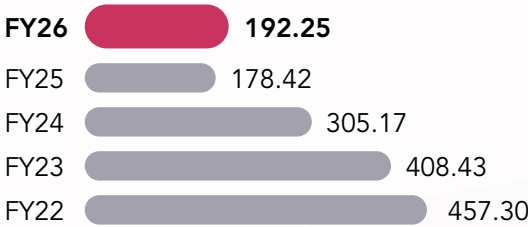
As we close FY26, we do so as a stronger, more versatile company, navigating multiple currents rather than depending on a single tide. Thank you for your continued trust and support.

Warm regards,
Anoop Kumar Bansal
Managing Director
Sarthak Metals Limited

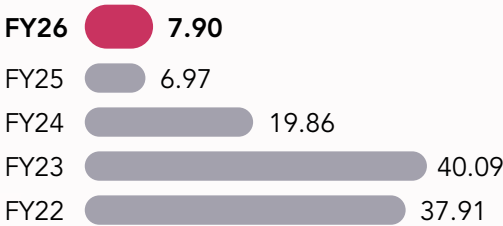
KEY PERFORMANCE INDICATORS

Turning
resolve
into
recovery.

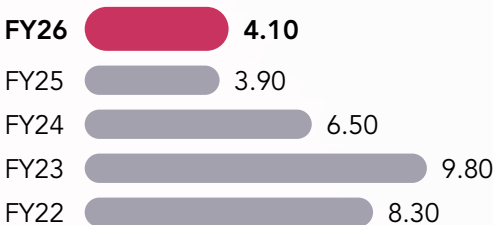
Revenue from Operations
₹ in Crores



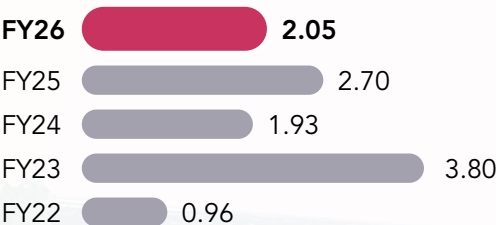
Operating Profit
₹ in Crores



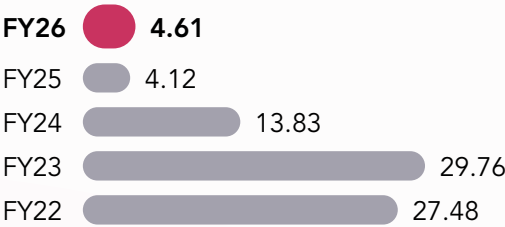
Operating Profit Margin
In %



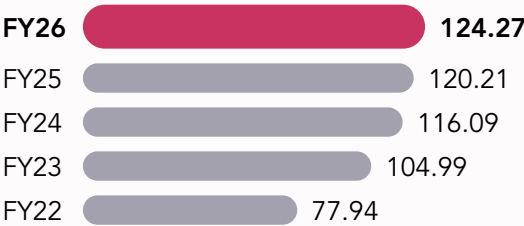
Other Income
₹ in Crores



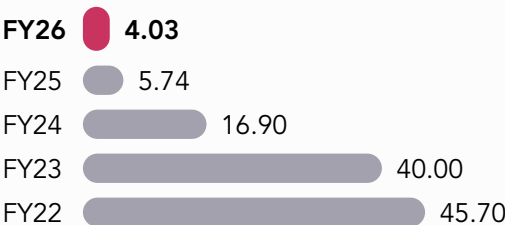
PAT
₹ in Crores



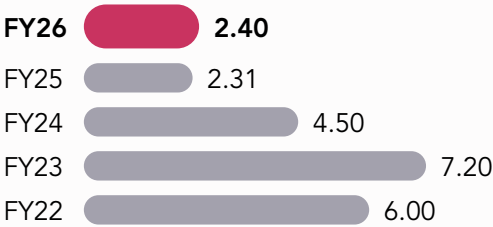
Equity
₹ in Crores



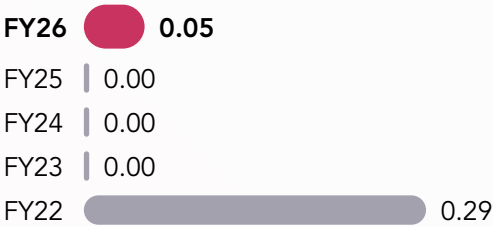
ROCE
In %



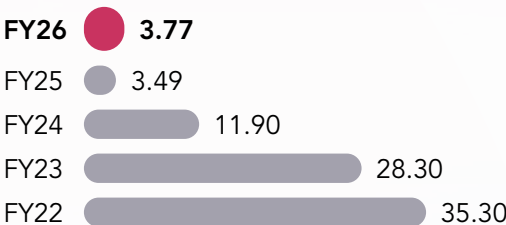
PAT Margin
In %



Total Debt to Equity
In Times



ROE
In %



Note: Operating Profit and Operating Profit Margin exclude Other Income and Exceptional Items i.e. EBITDA less Other Income and Exceptional Items.



GROWTH BLUEPRINT

A roadmap built to last

Growth at Sarthak Metals is deliberate, purpose-driven, and anchored in prudent strategy and consistent performance. A well-defined roadmap and disciplined execution are establishing the foundation for future-ready leadership. Diversifying our product offerings, expanding production capacities, entering new markets, and embedding sustainability into core operations together define our approach. We are building for tomorrow: smarter, broader, deeper, and greener.



1 Widening the Portfolio

From Metallurgy to Multi-Sectoral Opportunities

Expansion beyond our traditional metallurgical consumables portfolio is strengthening our competitive position and unlocking new avenues for growth.

Flux Cored Wires: The First Big Step

Producing Flux Cored Wires has been a transformative shift, enabling us to serve applications outside the metallurgical and steel sectors. The initiative began our

sectoral diversification, granting access to better-margin opportunities and enhancing our industrial relevance.

Deepening Value in Existing Verticals

Diversification has not diluted our commitment to existing strengths. We are broadening our cored wire range to include variants tailored for foundries and emerging industrial applications, a dual focus on innovation and enhancement that allows us to respond dynamically to evolving market demands.

2 Expanding Capacity with Intent

Built for Agility. Ready for Scale.

Investments in the expansion of our production infrastructure keep us ahead of market trends.

Headroom in Core Lines

Significant capacities in our primary product line, Cored Wires, enable us to serve a large customer base with greater efficiency.

Flux Cored Wires: Expansion Delivered

Robust market traction led us to conclude a strategic capacity enhancement in our Flux Cored Wire segment, tripling manufacturing capacity from 1,200 TPA to 3,600 TPA and positioning us as a formidable player in this rapidly expanding market.

3 Reaching Further, Growing Closer

Geographic Reach Meets Strategic Relationships

Our international presence is intensifying while relationships with key domestic and global clients grow deeper.

Steady Export Momentum

Since initiating exports over a decade ago, we have built a reputation for quality, reliability, and service.

The focus now is on scaling our global reach by entering new markets and strengthening engagement in existing ones, diversifying revenue streams and enhancing overall realisations.

Clients at the Centre

Reinforcing relationships with industry leaders in steel and metallurgy remains central to our strategy, fostering client trust and ensuring repeat business.

4 Finding New Applications

Versatility Drives Market Opportunity

Innovation remains central to our growth agenda as we continually seek new industrial applications to unlock additional verticals.

Wider Usage Horizons

Construction, shipbuilding, railways and fabrication continue to open up as application areas for our Flux

Cored Wires. These initiatives diversify revenue sources and enhance product relevance across allied sectors.

Fresh Product Introductions

Innovative variants planned within the Flux Cored Wire segment will pave the way for further market penetration and customer acquisition.

5 Running Lean and Green

Efficiency with a conscience. Renewable Energy at Work

A 400 KW solar power plant deployed at our facility has significantly reduced our carbon footprint and halved electricity costs through captive consumption.

Sharper Working Capital

Lean inventory levels and streamlined operations are improving working capital efficiency and ensuring rapid response to customer needs.

Strategic diversification, capacity expansion, product innovation, and a steadfast commitment to sustainability together chart our path to enduring, responsible growth and industry leadership.

SUSTAINABILITY

Responsibility as strategy

Our strategy, operations, and core values carry sustainability within them. Genuine progress, we recognise, is measured not only by growth but by our ability to safeguard the environment, uplift communities, and uphold the highest standards of governance.

FY26 saw us reaffirm this philosophy, with significant strides in responsible energy use, circular manufacturing, and inclusive development. Sustainability for us is not a fixed destination but an ongoing journey, one we continue to pursue with clarity and purpose.



Clean Energy, Real Savings

A 400 kW solar power plant supplies our manufacturing units with clean, renewable energy, advancing energy-efficient operations. This strategic investment delivers both environmental and economic benefits, offsetting a substantial portion of our conventional power requirements and reducing electricity costs by ~50% through captive consumption. Amid rising energy prices and growing environmental concerns, the initiative underscores our commitment to cost competitiveness and a transition to a low-carbon footprint model.



Making Circularity Standard

Circular economy principles now shape our aluminium coil production through the integration of recycled materials. Around 75% of the aluminium used in our Aluminium Flipping Coil production is sourced from recycled scrap. Producing aluminium from recycled material requires just 5% of the energy needed for primary production, allowing us to significantly reduce our carbon footprint, conserve natural resources, and lower energy intensity while maintaining the highest product quality standards.



People First, Communities Always

Our commitment to sustainability, as part of the Desraj Bansal Group, extends beyond our operational footprint. Employee well-being comes first, with safe and healthy workplaces across all locations. Our social responsibility initiatives focus on impactful areas such as education, healthcare, and environmental conservation, strengthening community ties and enhancing quality of life for those we serve.

Our concerted efforts continue to shape a future in which sustainable growth, environmental stewardship, and social responsibility remain inseparable from business success.



Governance that Earns Trust

Sustainable business rests on robust governance. We maintain rigorous standards of ethical conduct, compliance, and transparency across all operations, from stakeholder engagement to internal controls, keeping our decision-making responsible and our value creation long-term.

CLIENT RELATIONSHIPS

Partnerships that endure

Client relationships at Sarthak Metals are enduring partnerships, forged through a shared commitment to quality, reliability, and performance. Over the decades, consistent delivery of high-impact metallurgical solutions has made us the preferred supplier to many of India’s largest and most discerning steel producers, earning their trust.

What defines our reputation extends beyond the materials we supply: uncompromising quality, reliability, and a partnership approach that endures. Every fulfilled order and every nurtured relationship reaffirms our role as a dependable, solution-oriented partner.



Quality as the Entry Ticket

Precision and consistency are critical where our products operate, refining and optimising steel output. Clients such as steel plants, foundries, and fabrication units place immense value on quality assurance because the stakes are high. That trust has been earned over time, shipment after shipment, through steadfast performance.

Repeat orders generate 85% of our business today, a clear testament to the confidence our clients place in us. India’s top 5 steel producers count us as their supplier of choice, reflecting the industry’s trust and respect.



Solutions Shaped by Understanding

Metallurgists, engineers, and plant managers, the product users with deep operational insight, are whom we collaborate with directly. Engaging at this level allows us to tailor our offerings to the precise chemical compositions and metallurgical specifications each client requires, enhancing outcomes and building trust at every stage of the value chain.



Ready to Deliver, On Time

On-time delivery distinguishes us in the marketplace. Investments in robust warehousing and raw material buffers, backed by a strong focus on supply chain agility, enable us to respond swiftly to urgent or large-volume orders. This operational discipline gives our clients peace of mind, knowing their requirements will be met reliably and promptly.



New Sectors, Same Standards

Steel remains our core focus even as we expand our presence in the foundry sector, particularly in the SG Iron casting segment. This area serves diverse end-user industries, including agriculture (farm equipment and tractors), automotive, railways, and defence. Strategic diversification of this kind broadens our market reach while staying true to our metallurgical expertise, with our value-added solutions making a tangible impact in these high-potential segments.

Our Client Ecosystem in Numbers

Client Profile

- Steel Plants
- Fabrication Units
- Foundries

Trust is the foundation of our client relationships, time strengthens them, and a relentless focus on quality, reliability, and partnership sustains them.

150+ Total Customers Served	~85% Revenue From Repeat Business
40% Top 5 Clients Revenue Contribution	25+ New Clients Onboarded in FY26
60+ Clients Relationships More Than 10 years	50+ Clients Relationships Between 5–10 years

India



& Beyond



THE LEADERSHIP

One team,
one standard

Corporate governance at Sarthak Metals rests on our Board of Directors, whose diverse spectrum of expertise, industry acumen, and strategic foresight keeps us resilient in a volatile market and agile in a transforming industry.

Board of Directors



Mr. Sunil Kumar Agarwal
Chairman & Non-Executive, Non-Independent Director

An Honours degree in Mechanical Engineering underpins Mr. Sunil Kumar Agarwal's distinguished career across the public and technical domains. He has held key leadership positions in reputed institutions such as GCET Raipur and served with distinction in the Indian Railways Traffic Services,

including pivotal roles as Divisional Railway Manager, Chief Commercial Manager at South East Central Railway, and Additional Member in the Ministry of Railways. His extensive experience and leadership acumen remain vital in shaping our organisational direction and growth trajectory.



Mr. Anoop Kumar Bansal
Managing Director

Sharp strategic insight and deep operational expertise mark Mr. Anoop Kumar Bansal's stewardship of Sarthak Metals' growth journey. A Commerce graduate from Nagpur, he has been instrumental in defining the Company's strategic roadmap, pairing innovative commercial thinking with hands-on leadership. Within the broader Desraj Bansal Group,

he heads the ferroalloys division and previously oversaw the industrial gases business. Beyond business performance, he actively champions the Group's CSR initiatives, reflecting a strong commitment to responsible and inclusive growth. His multi-faceted experience and values-driven approach continue to be a driving force behind our sustained success.



Mr. Sanjay Shah
Whole-Time Director

Spearheading the Marketing division with strategic foresight and deep industry acumen, Mr. Sanjay Shah is a key pillar of our leadership team. His efforts have built a robust domestic footprint, forging enduring relationships with some of the largest and most respected steel institutions in India. Long-term partnerships with leading steel mills secured under

his leadership have significantly strengthened our market position. By aligning client needs with our product strengths, he has driven business expansion and enhanced our reputation as a trusted industry partner. His contributions remain vital to our continued growth and client-centric approach.



Mr. Mayur Bhatt
Whole-Time Director and Chief Executive Officer

Integrating our production and sales operations seamlessly is Mr. Mayur Bhatt's pivotal contribution. With astute managerial capabilities, he ensures the smooth functioning of day-to-day business and financial affairs, fostering operational excellence at every level. He also leads our raw material

management efforts, strategically optimising procurement and utilisation for efficiency and cost-effectiveness. His leadership has been instrumental in improving organisational performance, driving sustainable growth, and reinforcing our position in a highly competitive market.



Ms. Rama Kohli
Non-Executive, Independent Woman Director

Academic excellence and diverse professional experience come together in Ms. Rama Kohli's contribution to our Board. A graduate in Science with a Post Graduate Diploma in Business Management from Pt. Ravishankar Shukla University, she offers sharp strategic insight and thoughtful counsel. A strong background

in management advisory services gives her a nuanced understanding of business dynamics, and her independent perspective and broad industry exposure significantly strengthen the Board's decision-making capabilities and governance oversight.



Mr. Sunil Dutt Bhatt
Non-Executive, Independent Director

Over 37 years of rich industry experience, served in the Instrumentation and Weighing Division at Bhilai Steel Plant, a key unit of SAIL, informed Mr. Sunil Dutt Bhatt's counsel. He joined us in 2021, following his retirement in 2020, and has since played a vital

role in enriching our strategic direction with deep technical expertise and a nuanced understanding of steel plant operations. His seasoned perspective continues to be a valuable asset in guiding our Company's growth and operational efficiency.



Mr. Dwadasi Venkata Giri
Non-Executive, Independent Director

Banking, finance, and legal affairs form the foundation of Mr. Dwadasi Venkata Giri's contribution to our Board. A postgraduate in Commerce from Pt. Ravishankar Shukla University, he combines financial acumen with deep legal insight, contributing

meaningfully to our strategic decision-making processes. His expertise enhances the effectiveness of our governance framework and adds rigour to our financial oversight, making him an integral part of our leadership.

The next generation

Renewed energy defines our second-generation leaders, who are infusing fresh ideas, modern perspectives, and entrepreneurial agility into the business, carrying the legacy forward and ensuring continuity with transformation.



Mr. Gaurav Agarwal
Deputy General Manager - Export Sales

A graduate in Metallurgical Engineering from the prestigious IIT Bombay, Mr. Gaurav Agarwal joined Sarthak Metals in 2013 and brings strong technical acumen to the team. He plays a key role in driving our export sales operations, and his

deep understanding of metallurgical processes and international market dynamics has been instrumental in expanding our global footprint and strengthening our position in overseas markets.



Mr. Samarth Bansal
Production

Since 2017, Mr. Samarth Bansal has been an integral part of Sarthak Metals. An Automobile Engineer by qualification, he brings a sharp engineering mindset and operational rigour to the production function.

His keen focus on efficiency, quality control and process optimisation keeps plant operations smooth and consistent, aligning production output with the highest industry standards.



Mr. Sagar Shah
Marketing and Procurement

Mr. Sagar Shah, a qualified Civil Engineer, joined Sarthak Metals in 2017 and plays a key role in overseeing the Marketing and Procurement

functions. Stronger supplier relationships and a wider market reach owe much to his contributions.



Mr. Sarthak Bansal
Day-to-Day Operations

A Civil Engineer with a Master's in Business Administration, Mr. Sarthak Bansal became a part of Sarthak Metals in 2019 and plays an active role in managing the Company's day-to-day operations.

His technical acumen combined with managerial insight supports operational efficiency and organisational growth.

Key Managerial Personnel



Mr. Narendra Dewangan
Chief Financial Officer

A Commerce graduate from Pandit Ravishankar Shukla University, Raipur, Mr. Narendra Dewangan heads the Accounts Division and has been associated with the Deshraj Bansal Group for over

two decades. With more than 35 years of experience in accounting, finance, taxation, and financial reporting, he has played a pivotal role in strengthening financial controls, statutory compliance, and the Company's overall financial discipline.



Mr. Pratik Jain
Company Secretary

An Associate Member of the ICSI with degrees in Commerce and Law, Mr. Pratik Jain has over five years of experience in corporate laws, secretarial practice, and regulatory compliance. His expertise

in corporate governance and statutory compliance strengthens the Company's compliance framework and supports high standards of regulatory adherence.

Management Discussion and Analysis

Economic Overview Indian economy

India's economy delivered a standout performance in FY26, consolidating its position as the fastest-growing major economy in the world. According to the Economic Survey 2025-26, real Gross Domestic Product (GDP) is estimated to have grown by 7.4% in FY26, with Gross Value Added (GVA) expanding by 7.3%. The growth was broad-based: agriculture grew 3.1%, supported by favourable monsoon conditions and stable growth in livestock and fisheries; industry expanded 6.2%, led by manufacturing growth of 7.0%; and services accelerated to 9.1%, remaining the largest contributor to GDP.

Domestic demand anchored this performance. Private Final Consumption Expenditure grew 7.5% in the first half of FY26 and accounted for 61.4% of GDP, the highest share since FY12, supported by low inflation, steady employment conditions, and improved real purchasing power. Rural demand benefited from a favourable monsoon, while urban consumption gained from the rationalisation of direct and indirect taxes. Investment activity remained strong, with Gross Fixed Capital Formation at 30.0% of GDP and growing 7.6% in the first half, aided by public capital expenditure and a revival in private investment announcements.

Inflation was a defining feature of the year. Headline retail inflation averaged just 1.7% during April-December FY26, the lowest in the current series, driven primarily by food price disinflation, while core inflation

remained subdued. The benign price environment allowed the Reserve Bank of India to reduce the repo rate by a cumulative 100 basis points between April and December 2025, bringing it to 5.25% and improving monetary transmission. Bank credit growth strengthened to 14.5% year-on-year by December 2025, and the banking system's capital adequacy stood at a healthy 17.2%.

The government sustained its capital expenditure push, with capex growing 28% year-on-year during April-November FY26 even as revenue expenditure grew only 1.8%, keeping the fiscal deficit on track for the 4.4% of GDP target. India also received three sovereign credit rating upgrades during 2025, while exports of goods and services grew 5.9% in the first half of FY26.

Looking ahead, the Economic Survey projects real GDP growth in the range of 6.8-7.2% for FY27 and assesses India's medium-term growth potential at around 7%, supported by macroeconomic stability and continuing structural reforms.

Source: Economic Survey 2025-26, Ministry of Finance, Government of India.



Industry Overview Indian Steel Industry

The Indian steel industry turned in one of its strongest years in FY26 in terms of volumes, extending its run as the principal growth engine of the global steel market. Worldwide, crude steel production stood at 1,849 million tonnes (Mt) in 2025, of which China accounted for about 961 Mt, roughly 52% of the total. Global demand remained broadly flat in 2025, with Chinese steel demand continuing its decline that began in 2021. The World Steel Association's Short Range Outlook expects global steel demand to grow a modest 1.3% in 2026, aided by a moderation in China's decline, the return of demand growth in Europe, and continued expansion in developing economies such as India, Saudi Arabia, Egypt, and Vietnam.

Against this subdued global backdrop, India, the world's second-largest producer, stood apart as the fastest-growing major steel market. Crude steel production rose 10.7% year-on-year to about 168.4 Mt in FY26, while finished steel consumption reached approximately 164 Mt, expanding 7-8% on increased activity in infrastructure, construction, railways, and manufacturing. Installed crude steel capacity stood at about 220 Mt, meaning roughly two-thirds of the National Steel Policy 2017 target of 300 Mt of capacity by 2030-31 has already been achieved, and both public and private sector investments continue to add capacity.

Demand Drivers

Government-led investment remains the primary engine of domestic steel demand. Central capital expenditure grew 28% year-on-year during April-November FY26, and flagship programmes such as PM Gati Shakti, the National Infrastructure Pipeline, and sustained spending on railways, highways, ports, and housing continue to generate a high-volume demand base. Manufacturing sectors including engineering, automotive, and capital goods added to consumption, with manufacturing GVA growing 7.0% during the year. Construction activity, particularly in housing and infrastructure, continued

to grow at a robust pace through the year, supported by sustained public spending. Policy measures such as the Production-Linked Incentive Scheme for Specialty Steel are simultaneously catalysing fresh investment and technology upgrades across the sector. With per capita steel consumption still well below global averages, rapid urbanisation and the infrastructure build-out provide ample headroom for long-term demand growth.

Improving Trade and Pricing Dynamics

FY26 brought a decisive turnaround in trade dynamics. India returned to being a net exporter of finished steel, with exports surging 35.9% to over 6.6 Mt while imports fell 31.7%. Policy intervention played an important role: the 12% provisional safeguard duty imposed on flat steel imports in April 2025 was finalised into a three-year tapered structure, at 12% up to April 2026, 11.5% in the second year, and 11% in the third year ending April 2028, with exemptions for products priced above specified thresholds. Domestic hot-rolled coil prices nevertheless remained under pressure for much of the year, weighed down by weak Chinese prices, before recovering from mid-December 2025. Falling imports supported improved capacity utilisation and pricing power for domestic mills.

Policy and Regulatory Landscape

The policy framework continued to deepen. The second round of the Production-Linked Incentive Scheme for Specialty Steel (PLI 1.1) was launched in January 2025, and a third round (PLI 1.2) followed during the year; the first two rounds together carry investment commitments of ₹43,874 Crore, an estimated 14.3 Mt of specialty steel production, and direct employment of over 30,000 people. In March 2025, the Ministry of Steel released the 'Greening the Steel Sector in India' roadmap, together with a green steel taxonomy that classifies steel by carbon intensity, and a Green Steel Mission with an estimated outlay of ₹15,000 Crore is under preparation as the sector works towards net-zero emissions by 2070. Quality regulation was reinforced through BIS standards under the Steel Quality Control Order.

MANAGEMENT DISCUSSION AND ANALYSIS

Outlook

India is expected to remain the fastest-growing major steel market, with consumption supported by infrastructure spending, construction, railways, and manufacturing, and with per capita consumption still well below global averages providing long-term headroom. Capacity additions keep the sector on course towards the 300 Mt target by 2030-31, while the safeguard duty framework running through April 2028 offers a measure of protection against import surges. Global overcapacity, trade fragmentation, and price volatility remain the key variables to watch, and the industry must simultaneously invest in decarbonisation as green steel norms take shape. On balance, the combination of robust domestic demand, protective trade measures, and policy support positions the sector for sustained expansion in the coming years.

Source: World Steel Association, Ministry of Steel, IBEF.

Indian Welding Consumables Industry

The Indian welding consumables market continues to expand steadily, supported by the country's infrastructure build-out, industrialisation, and the growing sophistication of its manufacturing base. The market was valued at approximately USD 1,323 Million in 2025 and is projected to reach around USD 2,221 Million by 2034, growing at a compound annual growth rate of about 5.8%.

Infrastructure remains the market's bedrock. Programmes such as PM Gati Shakti, Bharatmala, and the National Infrastructure Pipeline generate extensive metal fabrication and joining requirements across highways, bridges, metro rail, ports, and commercial construction, making the construction sector the largest end-user of welding consumables. Beyond construction, the rapid expansion of renewable energy installations such as wind and solar projects requires substantial metal fabrication, while the oil and gas sector depends heavily on welding for the construction and maintenance of pipelines, storage facilities, and



offshore platforms. Shipbuilding, railways, aerospace, industrial equipment, and defence manufacturing all contribute meaningfully to demand, each with exacting requirements for weld quality, efficiency, and safety.

The automotive sector is an increasingly important driver. The shift towards electric vehicles and the use of advanced, lightweight, high-strength metals have created demand for consumables that offer superior performance and compatibility with modern manufacturing processes. Production-linked incentive backed automotive and electronics facilities are deepening the requirement for precision welding materials.

In product terms, stick electrodes remain the dominant category, valued for their ease of use, minimal equipment needs, and versatility in the diverse and often demanding field conditions prevalent in India. Other significant segments include solid wires, flux cored wires, and submerged arc welding (SAW) wires and fluxes, each catering to specific industrial applications. The structural shift in the market, however, favours flux cored wires. Rising automation, the premium on deposition efficiency in shipbuilding and automotive clusters, and the tightening of product standards through BIS certification requirements are steadily reshaping procurement patterns towards wire-based consumables.

Arc welding continues to be the most widely used technique in India, valued for its flexibility, robustness, and ability to deliver strong welds across varied environments, while resistance welding, oxyfuel welding, and other specialised techniques hold notable shares in manufacturing and repair applications. Adoption of automated and robotic welding is accelerating, particularly in automotive manufacturing, improving productivity, safety, and consistency.

Several trends are shaping the market's future: growing automation and laser-based welding, the development of eco-friendly consumables in line with global environmental standards, continuous R&D for high-performance applications in sectors such as aerospace and defence, and rising investment by leading companies in customer support and training. India's continued dependence on imports for specialised categories such as flux cored wires also presents a meaningful import substitution opportunity for domestic manufacturers.

Overall, the Indian welding consumables market is set for sustained growth, driven by infrastructure development, industrialisation, and technological progress, solidifying its role as a critical enabler of India's industrial and economic advancement.

Sources: IMARC Group, MarkWide Research, Mordor Intelligence.

Company Overview

Sarthak Metals, the flagship company of the esteemed Desraj Bansal Group, is recognised as India's leading manufacturer and exporter of metallurgical consumables such as Cored Wires and Aluminium Flipping Coils, with a fast-growing presence in welding consumables through its Flux Cored Wires business. The Company is distinguished by its expertise in precision metallurgy, its role in advancing and fine-tuning steel manufacturing processes, and its expanding portfolio of industrial welding consumables.

Headquartered in Bhilai, Chhattisgarh, Sarthak Metals leverages its proximity to a major steel production hub, enabling efficient connectivity and robust industry partnerships. Its commitment to excellence is reflected in its ISO 9001 certified, state-of-the-art manufacturing facilities, which incorporate rigorous testing and inspection to ensure consistently superior product quality. The Company is the preferred supplier to some of India's largest steel players, a reputation built on quality and manufacturing expertise.

Welding consumables have emerged as the Company's new growth engine. The Company manufactures seven grades across three categories, carbon steel, stainless steel, and hardfacing, at a capacity of 3,600 TPA, and its products carry BIS, CE, and Boiler & Pressure

Vessel certifications alongside vendor approvals from leading institutions. The RDSO approval received from Indian Railways in April 2025 opens doors with major construction and engineering companies. A dealer-led distribution model, now spanning more than 10 dealers across more than five states, with rising repeat orders as the Company's brands gain traction.

The Company has also undertaken a measured entry into biotechnology, its newest diversification frontier. A pilot Solid State Fermentation (SSF) R&D facility at Nagpur became operational during the year, with the first fermentation batch commencing in May 2025. The initiative focuses on enzyme technologies for the expanding ethanol ecosystem, and discussions are underway with leading ethanol distilleries to integrate the Company's technology solutions for improved fermentation efficiency and cleaner production. Investment has been kept deliberate and capital-disciplined while the segment's long-term potential takes shape.

Through these diversification initiatives, Sarthak Metals is well-positioned to capitalise on emerging market opportunities, secure a strong foothold across multiple industries, and drive sustained growth while reinforcing its market leadership.

Key Financial Ratios

Particulars	31-Mar-26	31-Mar-25	% variance	Explanation for change in ratio for more than 25%
Current Ratio	9.21	38.60	-76.13%	The Reduction in Current Liabilities is significantly greater than the increase in Current assets
Debt – Equity Ratio	0.05	-	100.00%	Company has availed a cash credit Limit during the year
Debt Service Coverage Ratio	14.24	10.87	30.97%	The reduction in finance costs has been Greater than the Increase in profit
Return on Equity (ROE)	3.77%	3.49%	8.17%	NA
Inventory Turnover (No. of days)	63.28	48.54	30.37%	Inventory has increased by 39% as compared to the Increase in Turnover/Sales
Trade receivables turnover ratio (No. of days)	94.28	84.09	12.12%	NA
Trade payables turnover ratio (No. of days)	3.02	1.35	123.04%	Trade Payables have Increased during the financial year
Net profit ratio	2.40%	2.31%	3.86%	NA
Net capital turnover ratio (No. of days)	182.89	207.74	-11.96%	NA
Return on capital employed (ROCE)	4.10%	5.74%	-28.65%	RoCE has declined due to greater increase in Capital Employed in proportion to the increase in Distributable Profits.
Return on investment (ROI)	3.71%	3.43%	8.25%	NA

MANAGEMENT DISCUSSION AND ANALYSIS

Outlook

FY26 marked a return to growth for Sarthak Metals. Revenue from operations grew 8% to ₹192.25 Crore, and the recovery in the core business was visible through the year: cored wire volumes rose 14%, in aluminium flipping coils, the Company consciously stayed away from unviable price competition amid overcapacity in the domestic market, protecting profitability. The fourth quarter specifically brought an encouraging recovery, with robust volumes growth, as operations normalise and commercial viability improved.

The welding consumables division has moved from a promising venture to one of the Company's core incremental growth drivers, and the near-term priority

is to build on its momentum towards annual sales of ₹25 Crore, with margins expected to improve as the brand establishes itself. In biotechnology, the Company will remain measured, emphasising capital discipline while pursuing collaborations in the ethanol ecosystem.

Looking ahead, we remain cautiously optimistic. Our virtually debt-free balance sheet gives us the flexibility to fund growth from a position of strength. Standing on three pillars, a recovering core business, a scaling welding consumables engine, and a future-facing biotechnology frontier, and with a continued emphasis on innovation, operational excellence, and disciplined capital allocation, Sarthak Metals is well-positioned to capitalise on emerging opportunities in the year ahead.

Risks and concerns

A well-articulated risk management framework is essential to business continuity, the protection of stakeholder interests, and long-term value creation. The key risks we monitor, and our mitigation approach, are set out below.

Safety Risk
Impact

Manufacturing operations demand the highest safety standards. Any lapse in safety protocols can disrupt operations, invite legal consequences, and damage the Company's reputation.

Mitigation strategies

- Maintain rigorous safety protocols reinforced through continuous training programmes
- Carry out periodic safety audits and detailed risk assessments across facilities
- Embed a strong safety-first culture at every level of the organisation

Supply Chain Risk
Impact

Disruptions arising from environmental events, geopolitical tensions, or concentration among suppliers can affect operational continuity and cost efficiency.

Mitigation strategies

- Develop alternative sourcing channels and a diversified supplier base
- Improve supply chain visibility and maintain contingency plans
- Build strategic collaboration and open communication with key supply partners

Regulatory Risk
Impact

Shifts in trade policy, including the withdrawal of protective measures such as safeguard duties or quality control orders, could affect margins and the competitive position of domestic manufacturing.

Mitigation strategies

- Track policy and regulatory developments closely to enable timely responses
- Widen the market footprint to reduce dependence on any single geography or policy regime
- Work with industry bodies to advocate for supportive trade frameworks

Credit Risk
Impact

Defaults by customers on payment obligations expose the Company to credit risk; significant defaults can strain cash flows and profitability.

Mitigation strategies

- Undertake thorough credit assessments of customers and partners
- Keep the customer portfolio broad to avoid overdependence on a few accounts
- Apply defined credit terms and monitor receivables closely

Commodity Fluctuation Risk
Impact

Volatility in commodity prices, particularly ferro alloys and aluminium, driven by global and domestic supply-demand dynamics, can materially affect input costs and margins.

Mitigation strategies

- Track commodity trends continuously and maintain agile pricing strategies
- Diversify the product mix to cushion against price sensitivity in any single category
- Evaluate hedging and other financial instruments to manage volatility

Project Management Risk
Impact

Delays or inefficiencies in executing capital projects, including capacity expansions in newer businesses, may cause cost escalation and defer planned growth.

Mitigation strategies

- Follow structured frameworks for project planning and execution
- Complete detailed feasibility studies and risk analyses before committing capital
- Encourage cross-functional collaboration and real-time resolution of issues

Effectiveness of internal control systems

The Company operates a comprehensive internal control framework designed to safeguard assets, prevent unauthorised use or disposal, and ensure that every transaction is properly authorised, recorded, and reported. These controls are structured to optimise resource allocation, drive operational efficiency, and ensure strict compliance with applicable laws, regulations, and internal policies, while monitoring business processes and reinforcing accountability across the organisation. The framework is reviewed periodically to keep pace with the Company's evolving business profile, including its newer ventures. Its reliability and effectiveness have been independently reviewed and affirmed by the statutory auditors, strengthening stakeholder confidence in the integrity of our systems. Taken together, these measures form an integral part of our governance architecture, enabling the Company to operate with transparency, maintain financial discipline, and uphold the trust of its stakeholders.

Human resource development and industrial relations

Our people are the driving force behind Sarthak Metals' resilience, innovation, and long-term growth. The Company invests in structured training and development initiatives that build technical and professional capabilities, and works to be an employer of choice by fostering an inclusive, collaborative, and respectful workplace. We believe a culture of trust, transparency, and mutual support is essential to employee engagement and organisational stability. As of March 31, 2026, our team strength of 149 dedicated individuals, a tribute to our growing human capital. The scaling up of the welding consumables business and the biotechnology initiative has also brought new skills and capabilities into the organisation. Industrial relations remained harmonious through the year. Going forward, we will continue to strengthen these



relationships, promote internal growth opportunities, and invest in our people, laying the groundwork for sustained success.

Cautionary statement

Statements made in the Management Discussion and Analysis and other sections of this Annual Report that outline our objectives, expectations, projections, or estimates may be forward-looking in nature. These statements are based on certain assumptions and are subject to various risks and uncertainties that could cause actual outcomes to differ materially from those anticipated. Factors that may influence our actual results include economic and political developments in India and in the countries where we operate, fluctuations in interest rates, changes in governmental policies, regulations, tax laws, and other unforeseen events. We do not undertake any obligation to revise or update these forward-looking statements, whether due to future developments, new information, or otherwise.

Notice of 31st Annual General Meeting

of Sarthak Metals Limited

CIN: L51102CT1995PLC009772

Registered Office: B.B.C. Colony, Khursipar, G.E. Road, Bhilai, Chhattisgarh – 490011

Website: www.sarthakmetals.com

Email: cs@sarthakmetals.com, info@sarthakmetals.com

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **SARTHAK METALS LIMITED** will be held on Tuesday, 18th August, 2026, at 12:30 P.M. at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 for transacting the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements:

To receive, consider, and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2026 and the reports of the Board of Directors and the Statutory Auditors thereon.

2. Appointment of a Director retiring by rotation:

To appoint a Director in place of Mr. Mayur Bhatt (DIN: 07586457), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mrs. Ushasree Bhagavatula (DIN: 11480507) as Independent Women Director:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Ushasree Bhagavatula (DIN: 11480507), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation and to hold office for a term up to 17th August, 2031;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To approve Material Related Party Transactions of the Company with M/s Bansal Brothers:

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

"RESOLVED THAT, pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transaction, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the prior approval of the Audit Committee and the approval of the Board of Directors of the Company, the approval of the Company be and is hereby accorded to approve to enter/continue to enter into Material Related Party Transactions/Contract/Arrangement/Agreement (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entity i.e., M/s Bansal Brothers falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, in the course of purchase and sale of goods and services ("Related Party Transactions") on such material terms and conditions ("Related Party Transactions") as may be mutually agreed between M/s Bansal Brothers and the Company for Financial Year 2026-27, such that the maximum value of the Related Party Transactions with such party does not exceed value of ₹ 75 Crores for financial year, provided that the said Transactions/Contract/Arrangement/Agreement shall be carried out in the ordinary course of business of the Company and in respect of transactions with related party under section 2(76) of the Companies Act, 2013, are at arm's length basis;

RESOLVED FURTHER THAT, all actions taken by the management in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

5. Ratification of remuneration of Cost Auditor:

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

"RESOLVED THAT, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 40,000/- (Rupee Forty Thousand only) per annum, plus applicable taxes and re-imbursement of out of pocket expenses incurred in connection with the Audit, as approved by the Board of Directors based on recommendation of Audit Committee of the Company, to be paid to M/s Gajadhar Prasad & Co. (Firm Registration No. 003682), Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending 31st March, 2027, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT, the Board of Directors of the Company and/or, Company Secretary be and are hereby severally authorized to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh – 490011

CIN: L51102CT1995PLC009772

Email: cs@sarthakmetals.com, cfo@sarthakmetals.com

website: www.sarthakmetals.com

By Order of the Board of Directors
Sarthak Metals Limited

Sd/-

Pratik Jain

Company Secretary

Membership No.: ACS 61747

Date: 10th July, 2026

Place: Bhilai (C.G.)

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THE POLL INSTEAD OF HIM/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. A person can act as proxy on behalf of members not exceeding fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The attendance slip cum Proxy Form is available at the end of this Annual Report.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under item No. 3 to 5 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 2 and 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM are also annexed.
5. In terms of the provisions of Section 108 of the Companies Act, 2013, the business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information related to e-voting are given in the notice under Note No. 23. The Members (including proxies) attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting.
6. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10:00 a.m. and 4:00 p.m. up to the date of the Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
8. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified

copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the meeting along with the ID proof of the authorized representative.

9. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions Of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF.

Members who have not yet encashed the dividend warrants or claimed dividend for the previous financial year, from the Financial, are requested to contact the Company/RTA on the following details

Details of Company:

Address : B.B.C. Colony, Khursipar, G.E. Road, Bhilai, Chhattisgarh – 490011
 Tel : +91-9303773708
 Email : cs@sarthakmetals.com/
info@sarthakmetals.com

Details of RTA:

Name : Nithin Nair
 Address : Bigshare Services Private Ltd.
 Office No. S6-2, 6th Floor, Pinnacle
 Business Park, Next to Ahura Centre
 Mahakali Caves Road, Andheri East,
 Mumbai 400093, Maharashtra, India.
 Tel : 022-62638200/222/223
 Email : nithin@bigshareonline.com

10. Members/Proxies/authorized representatives attending the Meeting are requested to bring their copies of Annual Report, together with the attendance slip duly completed and signed, along with Client ID and DP ID numbers. Copies of the Annual Report, together with the attendance slip, will also be available at the AGM venue for filling and submission.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

12. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant, and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent (RTA) of the Company. Please find below the contact details of RTA:

Bigshare Services Private Ltd.

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093, Maharashtra, India.
Email ID: investor@bigshareonline.com
Contact No.: 022-62638200/222/223

13. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The same should be availed through respective depository.
14. The Company has appointed Bigshare Services Private Limited, Mumbai as its Registrar and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfer, DEMAT request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to Registrar directly quoting folio no., full name and name of Company as 'Sarthak Metals Limited' at investor@bigshareonline.com.
15. Any member desiring any clarification/explanation in respect of the information given in this Annual Report is requested to submit query to the Company at least 10 days in advance before the meeting so as to enable the management to keep information ready.
16. The route map of the venue of the Annual General Meeting is annexed at the end of this Report. The prominent land mark near the venue is Bus Stand, Bhilai Power House, Bhilai – 490011, Chhattisgarh, India.
17. In compliance with the aforementioned provisions of the Act and SEBI Listing Regulations, an electronic copy of the Annual Report for the Financial Year 2026 is being sent to all the Members whose e-mail addresses are registered with the Company/ Depository Participant(s) for communication purposes. In case any Member is desirous of obtaining a hard copy of the Annual Report for the Financial Year 2026 and the Notice of the 31st AGM of the Company, they may send a request to the Company's e-mail address at cs@sarthakmetals.com, mentioning their Folio No./DP ID and Client ID.
18. The Annual Report of the Company will be available on the Company's website www.sarthakmetals.com and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchanges of India limited at www.bseindia.com and www.nseindia.com respectively. As per Section 136(1), the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication

in physical form in addition to e-communication, or have any other queries, may write to us at cs@sarthakmetals.com.

19. Mr. Atul Jain, Practicing Chartered Accountant (Membership No. 447869), has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
20. Any person who becomes a member of the Company after sending the Notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request to investor@bigshareonline.com.
21. The results declared along with the scrutinizer's report will be placed on the website of the Company, i.e., www.sarthakmetals.com, under the investors section and on the website of Bigshare Services Private Limited. The results shall also be communicated to the Stock Exchanges and will be made available on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com, respectively.
22. The Shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card, or driving license to enter the AGM hall.
23. Instructions for remote e-voting are as follows:

A. VOTING THROUGH ELECTRONIC MEANS:

Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, Regulation 44 of the SEBI Listing Regulations, and the Circulars issued by the MCA dated 8 April, 2020, 13 April, 2020, 5 May, 25 September, 2023 and 19 September, 2024, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by **Bigshare Services Private Limited**.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- The voting period begins on 15th August, 2026 at 9:00 a.m. and ends on 17th August, 2026 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, 11th August, 2026 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it

has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	- Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. - After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin. 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 able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with NSDL	- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. 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. 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. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. - If the user is not registered for IDeAS e-Services, 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

1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below: (Contd.)

Type of shareholders	Login Method
	3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 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. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (E-voting website) for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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. After Successful 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 service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
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.
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.com or call at 022-48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on "LOGIN" button under the 'INVESTOR LOGIN' section to Login on E-Voting Platform.
- Please enter you 'USER ID' (User id description is given below) and 'PASSWORD' which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.

- Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note: If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on 'LOGIN' under 'INVESTOR LOGIN' tab and then Click on 'Forgot your password?'

- Enter "User ID" and "Registered email ID" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on 'Reset'.

(In case a shareholder is having valid email address, Password will be sent to his/her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on "**VOTE NOW**" option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with "**User id and password will be sent via email on your registered email id**".

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338

- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on 'Forgot your password?'

- Enter "User ID" and "Registered email ID" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on 'RESET'.

(In case a custodian is having valid email address, Password will be sent to his/her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
 - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
 - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".
- Note:** The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)
- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

B. THE INSTRUCTIONS FOR MEMBERS FOR VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. A member may participate in the AGM after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
2. Members can opt for only one mode of voting, i.e., either by remote e-voting or voting at the Meeting. In case Members cast their vote through both the modes, voting done by remote e-voting shall prevail and votes cast at the Meeting shall be treated as invalid.
3. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
4. The Board of Directors has appointed Mr. Atul Jain, Practicing Chartered Accountants (Membership No. 447869), as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the Annual General Meeting in a fair and transparent manner.
5. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
6. The Scrutinizer shall, after the conclusion of voting at the General Meeting, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM a Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes if any. The results declared along with the Scrutinizer's report, will be posted on the website of the Company www.sarthakmetals.com and on the website of Stock Exchanges and Bigshare Services Private Limited immediately after the declaration of the result by the Chairman or any person authorised by him and communicated to the Stock Exchange.
7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@sarthakmetals.com. The same will be replied by the Company suitably.

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh – 490011

CIN: L51102CT1995PLC009772

Email: cs@sarthakmetals.com, cfo@sarthakmetals.com

website: www.sarthakmetals.com

Date: 10th July, 2026

Place: Bhilai (C.G.)

By Order of the Board of Directors
Sarthak Metals Limited

Sd/-
Pratik Jain
Company Secretary
Membership No.: ACS 61747

Explanatory Statement

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under items Nos. 3 to 5 of the accompanying Notice. The item-wise explanatory statement for all special business mentioned (supra) is as follows:

1. Appointment of Mrs. Ushasree Bhagavatula (DIN: 11480507) as Independent Women Director:

As term of Mrs. Rama Kohli, the current Independent Women Director, is set to expire on 23rd August, 2026, the Board of Directors at their meeting held on 10th July, 2026 have appointed Mrs. Ushasree Bhagavatula as additional Independent Women Director on the Board of the Company.

The said appointment has been made on the recommendation of the Nomination and Remuneration Committee at their meeting held on 10th July, 2026.

Mrs. Ushasree Bhagavatula, completed her Graduation (Bachelor of Commerce and Masters in Business Administration in Human-Resource Management) from Symbiosis University, Hyderabad. She has vast experience in the taxation and finance domain.

The Company has received a declaration from Mrs. Ushasree Bhagavatula confirming that she meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, She, has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Mrs. Ushasree Bhagavatula has also confirmed that she is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated 20 June, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mrs. Ushasree Bhagavatula has confirmed that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director in terms of Section 152 of the Act,

subject to appointment by the Members. Mrs. Ushasree Bhagavatula has also confirmed that she complies with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, she fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for appointment as an Independent Director and that she is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://sarthakmetals.com/investors-policies.aspx?mpgid=24> and would also be made available for inspection to the Members of the Company up to Wednesday, 12th August, 2026, by sending a request from their registered email address to the Company at cs@sarthakmetals.com along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the appointment of Mrs. Ushasree Bhagavatula as an Independent Women Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 3 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

2. To approve Material Related Party Transactions of the Company with M/s Bansal Brothers:

Regulation 23 of the the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), inter alia, states that all Material Related Party Transactions ('RPTs') shall require prior approval of the Members by way of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the limits prescribed under Schedule XII of the SEBI Listing Regulations, as reproduced hereunder:

Consolidated Turnover of Listed Entity Threshold

(I) Up to ₹ 20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹ 20,000 Crore to upto ₹ 40,000 Crore	₹ 2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹ 20,000 Crore
(II) More than ₹ 20,000 Crore to upto ₹ 40,000 Crore	₹ 3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹ 40,000 Crore or ₹ 5,000 Crore, whichever is lower

Further, SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November, 2024, SEBI Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 and SEBI Master Circular No. HO/49/14/14(7)2025-CFDPOD2/I/3762/2026 dated 30th January, 2026 ("SEBI Circulars") prescribes the minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (collectively referred to as 'RPT Industry Standards') formulated by the Industry Standards Forum. Additionally, Regulation 2(1)(zb) of the SEBI Listing Regulations defines a related party and Regulation 2(1)(zc) of the SEBI Listing Regulations defines a related party transaction which includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to

benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not. In view of the above, Resolution Nos. 4 are placed for approval by the Members of the Company.

It is pertinent to note that the Management has provided the Audit Committee, comprising of Independent Directors of the Company, with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs, subject to approval by the Members at the ensuing Annual General Meeting. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business. The Audit Committee has reviewed the certificate provided by CEO & Managing Director and Chief Financial Officer of the Company, as required under the RPT Industry Standards.

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards and as placed before the Audit Committee for consideration while seeking prior approval of the proposed RPT are provided below

Part - A

Minimum Information to be provided for review of the Audit Committee for Approval (including ratification) of RPTs:

Sr. No.	Particulars of the information	Information provided by the management															
A. Details of the related party and transactions with the related party																	
A (1). Basic details of the related party																	
1.	Name of the related party	M/s Bansal Brothers															
2.	Country of incorporation of the related party	India															
3.	Nature of business of the related party	Metal and Metal Products															
A (2). Relationship and ownership of the related party																	
1.	Relationship between the listed entity and the related party.	Mr. Anoop Kumar Bansal, Promoter and Managing Director, Mr. Kishore Kumar Bansal, Promoter, and Mr. Gaurav Agrawal, Son of the Chairman and Director are partners in M/s Bansal Brothers.															
2.	Shareholding or contribution % or profit & loss sharing % of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	Sarthak Metals Limited has no capital contribution. Mr. Anoop Kumar Bansal holds 35%, Mr. Kishore Kumar Bansal holds 35%, and Mr. Gaurav Agrawal 15%.															
3.	Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary																
	Explanation: Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered.	Nil															
A (3). Details of previous transactions with the related party																	
1.	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial years.	<table> <tr> <th>Sr. No.</th><th>Nature of Transaction</th><th>Amount</th></tr> <tr> <td>1.</td><td>Purchase of Goods</td><td>13,17,41,569</td></tr> <tr> <td>2.</td><td>Sale of Goods</td><td>8,40,36,100</td></tr> <tr> <td>3.</td><td>Purchase of Services</td><td>-</td></tr> <tr> <td>4.</td><td>Sale of Services</td><td>-</td></tr> </table>	Sr. No.	Nature of Transaction	Amount	1.	Purchase of Goods	13,17,41,569	2.	Sale of Goods	8,40,36,100	3.	Purchase of Services	-	4.	Sale of Services	-
Sr. No.	Nature of Transaction	Amount															
1.	Purchase of Goods	13,17,41,569															
2.	Sale of Goods	8,40,36,100															
3.	Purchase of Services	-															
4.	Sale of Services	-															

Minimum Information to be provided for review of the Audit Committee for Approval (including ratification) of RPTs: (Contd.)

Sr. No.	Particulars of the information	Information provided by the management								
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	₹ 6.28 Crores								
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last three financial years.	No								
A (4). Amount of the proposed transactions (All types of transactions taken together)										
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders.	₹ 75 Crores								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?	Yes								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	39.01%								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	NA								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year.	28%								
6.	Financial performance of the related party for the immediately preceding financial year:	<table><tr><th>Particulars</th><th>FY 25-26 in Crores</th></tr><tr><td>Turnover (provisional)</td><td>₹ 268.00</td></tr><tr><td>Profit After Tax (provisional)</td><td>₹ 8.00</td></tr><tr><td>Net Worth (provisional)</td><td>₹ 109.00</td></tr></table>	Particulars	FY 25-26 in Crores	Turnover (provisional)	₹ 268.00	Profit After Tax (provisional)	₹ 8.00	Net Worth (provisional)	₹ 109.00
Particulars	FY 25-26 in Crores									
Turnover (provisional)	₹ 268.00									
Profit After Tax (provisional)	₹ 8.00									
Net Worth (provisional)	₹ 109.00									
B. Details for specific transactions										
B (1). Basic details of the proposed transaction										
1.	Specific type of the proposed transaction	Sale of Goods/Services and Purchase of Goods/Services								
2.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	For the Financial Year 2026-27								
3.	Indicative date/timeline for undertaking the transaction	On demand								
4.	Whether omnibus approval is being sought?	Yes								
5.	Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract.	NA								
	If omnibus approval is being sought, the maximum value of a single transaction during a financial year.									

Minimum Information to be provided for review of the Audit Committee for Approval (including ratification) of RPTs: (Contd.)

Sr. No.	Particulars of the information	Information provided by the management
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	SML buys certain specialty noble ferro alloys from Bansal Brothers. These noble ferro alloys are niche of Bansal Brothers for which they have more than 70% market share in Indian market. Thus, the prices at which Bansal Brothers can supply to SML is highly competitive due to scale advantage. Further, the lead time for procurement from Bansal Brothers is very less and reduces the working capital requirement of SML for such alloys. Furthermore, Bansal Brothers offer great credit terms to SML due to related party trust. That being said SML always researches the price of said ferro alloys in international markets before placing an order with Bansal Brothers. It can be said that Sarthak Metals has almost a 70% market share in products manufactured using Bansal Brothers' products due to this symbiotic relationship.
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. (Details include name of the Director and KMP and Shareholding of the director/KMP, whether direct or indirect, in the related party)	a. Mr. Anoop Kumar Bansal, Promoter Managing Director, 35% Direct and 70% Indirect. b. Mr. Manoj Kumar Bansal, Promoter and President, 0% Direct and 70% Indirect. c. Mr. Gaurav Agrawal, One-Level below management, 15% Direct. d. Mr. Sunil Kumar Agrawal. Chairman and Director, 15% Indirect.
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally.

Part - B

Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

Sr. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	The Company mainly purchases two products from M/s Bansal Brothers 1 st is Ferro Titanium of which M/s Bansal Brothers is a major supplier in India with one competitor who is also the supplier of cored wire and hence for this product the Company does not take any quotation.
2.	Basis of determination of price	2 nd is Ferro Silico magnesium and for this product the Company compares with the latest price charged by international suppliers to the Company. For all other goods the prevailing market is considered and then order is placed.

Given the changes in the threshold for determining the related party transactions that require prior shareholder approval and to facilitate seamless contracting and rendering/availing of product and services between the Company and M/s Bansal Brothers, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with M/s Bansal Brothers are reviewed and approved by the Audit Committee. Further, the transactions that require testing of arm's length pricing are tested by the management of the Company, by the personnel engaged in the purchase or sales of products, raw material etc. and also of rendering or taking the services.

Value of Transaction with M/s Bansal Brothers during last three Financial Year is as follows:

(Amounts in ₹)

Particular of Transactions	31 st March, 2024	31 st March, 2025	31 st March, 2026	Total
Purchase of Goods and Services	13,20,21,556	14,11,62,752	13,17,41,569	40,49,25,877
Sales of Goods and Services	3,70,32,927	3,29,47,674	8,40,36,100	15,40,16,701
Total	16,90,54,484	17,41,10,426	21,57,77,669	55,89,42,579

Sr. No.	Description	Particulars
1.	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	NA
A.	Source of funds	NA
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: - Nature of indebtedness - cost of funds and - tenure of the indebtedness	NA
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	NA
D.	Purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to RPT	NA
E.	Any other relevant information	NA

Except, Mr. Manoj Kumar Bansal, Ms. Simmi Bansal, Mr. Anoop Kumar Bansal, Mr. Kishore Kumar Bansal, Ms. Sanju Bansal, Ms. Kirti Bansal, Mr. Gaurav Agrawal, Mr. Sunil Kumar Agrawal and Ms. Nidhi Agarwal, none of the Directors, Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

The related party transactions has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval.

The Board recommends the Ordinary Resolution set out at Item No. 04 of the Notice for approval and ratification by the members of the Company.

3. Ratification of remuneration of Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Gajadhar Prasad

& Co., (Firm Registration No. 003682) Cost Accountants for the conduct of the audit of cost records made and maintained by the company, at the remuneration of ₹ 40,000/- (Rupee Forty Thousand only) per annum plus all applicable taxes & re-imbursement of out-of-pocket expenses for the financial year ending 31st March, 2026 In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution at item No. 5 of this notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval and ratification by the members of the Company.

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh – 490011
CIN: L51102CT1995PLC009772
Email: cs@sarthakmetals.com, cfo@sarthakmetals.com
website: www.sarthakmetals.com

Date: 10th July, 2026

Place: Bhilai (C.G.)

By Order of the Board of Directors
Sarthak Metals Limited

Sd/-
Pratik Jain
Company Secretary
Membership No.: ACS 61747

Annexure to Notice

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India. The brief resume of the director is as follows:

Name of Director	Mr. Mayur Bhatt
Director Identification Number (DIN)	07586457
Date of Birth	12 December, 1978
Age	47 years
Qualification	B.A. & Diploma in Electrical Engineering
Experience	He has completed his Bachelors in Arts (B.A), from Guru Ghasidas University, Bilaspur, Chhattisgarh. He has also completed his Diploma in Electrical Engineering from the Madhya Pradesh Board of Technical Education, Bhopal. He has more than 20 years of experience in the industry, and he has been associated with our Company since 2005 in various roles & responsibilities, presently he is heading the Operations department. He was appointed as a Whole Time Director of our company on 21 st August, 2016. He is also the Chief Executive Officer of the Company.
Terms and Condition of Appointment	Executive Director liable to retire by rotation.
Remuneration last drawn during the Financial Year 2024-25	₹ 13,00,000
Nature of Expertise in specific functional areas	Operations, Finance and Accounting, Production, Sales and Marketing and Business Development.
Date of first appointment	21 August, 2016
Number of shares held in the Company	4,50,454 shares
Inter-se relationship with other Directors and Key Managerial Personnel	There is no inter-se relationship with any Key Managerial Personnel of the Company
No. of Board Meetings Attended during the year	5/5
Listed entities from which the Director has resigned from directorship in the past three (3) years	Nil
Directorships held in other companies	1. Sarthak Energy Private Limited
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Nil
Proposed Remuneration	₹ 13,00,000

Annexure to Notice

DETAILS OF DIRECTOR SEEKING APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India. The brief resume of the director is as follows:

Name of Director	Mrs. Ushasree Bhagvatula
Director Identification Number (DIN)	11480507
Date of Birth	15 January, 1973
Age	53 years
Qualification	B.com, MBA (HR)
Experience	Mrs. Ushasree Bhagavatula, completed her Graduation (Bachelor of Commerce and Masters in Business Administration in Human-Resource Management) from Symbiosis University, Hyderabad. She has vast experience in the taxation and finance domain.
Terms and Conditions of Appointment	Non Executive Independent Director, not liable to retire by rotation.
Remuneration last drawn during the Financial Year 2025-26	Not Applicable
Nature of Expertise in Specific Functional Areas	Taxation and Finance
Date of first appointment	NA
Number of shares held in the Company	Nil
Inter-se relationship with other Directors and Key Managerial Personnel	None
No. of Board Meetings Attended during the year	NA
Listed entities from which the Director has resigned from directorship in the past three (3) years	Nil
Directorships held in other companies	Nil
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	NA
Proposed Remuneration	Sitting Fees as approved by the Board of Directors

Directors' Report

Dear members,

Your Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "Sarthak") along with the audited financial statements, for the financial year ended 31st March, 2026.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

(₹ In Lakhs)

Particulars	For the year ended March 31,	
	2026	2025
Revenue from operations	19,225.14	17,842.01
Other income, net	204.97	270.43
Total income	19,430.11	18,112.43
Expenses	18775.44	17,484.33
Exceptional Items	-	-
Profit Before Tax	654.67	628.11
Less: Tax (Including deferred tax and current tax relating to earlier years)	193.60	216.13
Total Other Comprehensive Income (Net of Tax)	13.90	0.52
Total Comprehensive Income for the Year	474.97	412.50
Earnings Per Share of ₹ 10 each		
Basic:	3.37	3.01
Diluted:	3.37	3.01

After three years of consolidation, FY26 marked the Company's return to a growth trajectory. The operating environment improved gradually through the year, as India remained one of the most attractive long-term steel markets globally, supported by sustained investments in infrastructure, railways, housing, and manufacturing, while the 12% safeguard duty on flat steel imports introduced in 2025 and stricter quality norms eased the pressure from low-cost imports that had weighed on domestic manufacturers and allied industries over the previous two years. Even so, persistent unfair competition and pricing distortions continued to affect parts of the value chain, particularly specialised downstream products, demanding continued discipline from ancillary suppliers such as our Company.

Our flagship Cored Wires business grew volumes by a healthy 14% during the year, as knowledge-driven marketing, reliable technical support, and consistent product performance helped counter pressure from sub-par quality products. In Aluminium Flipping Coils, we consciously refrained from unviable price competition amid significant overcapacity in the domestic market, protecting profitability. The segment remained subdued through the year, though the fourth quarter brought an encouraging recovery with volumes growing 35% year-on-year, and operations start to normalise as market conditions stabilise and commercial viability improves.

As a result, Revenue from Operations for FY26 stood at ₹ 192.25 Crore, compared to ₹ 178.42 Crore in FY25, representing a year-on-year growth of 8%. EBITDA margins improved to 4.1% in FY26 from 3.9% in FY25. Consequently, Net Profit for FY26 rose 12% to ₹ 4.61 Crore, as against ₹ 4.12 Crore in FY25.

Our diversification strategy delivered visible results. The welding consumables segment, led by Flux Cored Wires, completed its first full year of operations with revenue of ₹ 15.7 Crore, surpassing expectations, with more than 1,400 tonnes sold at average monthly volumes exceeding 115 tonnes. The RDSO approval received from Indian Railways in April 2025, alongside BIS certification, reinforces customer confidence in our product quality. The Company also made a measured entry into biotechnology, with a pilot Solid State Fermentation R&D facility at Nagpur commencing its first fermentation batch in May 2025. Our continued emphasis on value-added products, disciplined capital allocation, and expansion into adjacent categories positions the Company for sustainable growth and enables us to capitalise on emerging opportunities.

2. AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES:

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

3. DIVIDEND:

In order to conserve the resources of the Company, your directors do not recommend any dividend for the year under review.

4. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, the Company amended its Main Object clause of the Memorandum of Association to add the business of Bio-Technology and Enzymes. The said addition in the object was approved on 12th December, 2025, by the Shareholders of the Company through Postal Ballot.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT:

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

6. CAPITAL STRUCTURE:

The Paid-up Equity share capital of the Company as on 01st April, 2025 was ₹ 13,68,97,500/- divided into 1,36,89,750 Equity Shares of ₹ 10/- each. No change was made during the year. The equity share capital thus, as on 31st March, 2026 was ₹ 13,68,97,500/-.

During the F.Y. 2025-26 your Company has neither issued shares with differential voting rights as to dividends, voting or otherwise nor issued shares (including sweat equity shares) to the employees or directors of the company under any scheme such as bonus, right issue, private placement, preferential allotment or by any other mode as per Companies Act, 2013.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

7.1. Appointments:

7.1.1. Independent Women Director:

The term of Mrs. Rama Kohli, the Independent Women Director of the Company, is going to end on 23rd August, 2026, to fulfil the vacancy arising out of the end of the tenure of Mrs. Kohli, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, have appointed Mrs. Ushasree Bhagavatula as Additional Independent Women Director of the Company which is subject to the approval of members at their ensuing Annual General Meeting.

The Board of Directors places on record its sincere appreciation and gratitude to Mrs. Rama Kohli, Independent Women Director of the Company, on the completion of her second consecutive term of five years and consequent cessation from the Board with effect from 23rd of August, 2026.

During her tenure spanning ten years, Mrs. Rama Kohli has provided invaluable guidance, independent judgment, and strategic insights that have significantly contributed to the growth, governance standards, and overall success of the Company. Her unwavering commitment to the principles of corporate governance, ethical business practices, transparency, and stakeholder interests has been exemplary.

The Board acknowledges with gratitude her active participation in the deliberations of the Board and Committees, constructive suggestions, and professional expertise, which have greatly enriched the decision-making process of the Company.

7.1.2. CFO:

The Board of Directors had appointed Mr. Narendra Dewangan as the Chief Financial Officer of the Company to fulfil the vacancy arising due to resignation of Mr. Anirudh Singhal.

The Board of Directors places on record its deep appreciation and sincere gratitude for the valuable services rendered by Mr. Anirudh Singhal, during his tenure as the Chief Financial Officer of the Company. The Board acknowledges his significant contribution towards strengthening the financial management systems, enhancing internal controls, ensuring regulatory compliance, maintaining high standards of corporate governance, and supporting the Company's strategic and operational objectives. His dedication, professionalism, financial acumen, and commitment to excellence have played an important role in the Company's growth and development.

7.2. Re-Appointments:

7.2.1. Director liable to retire by rotation:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Mayur Bhatt (DIN: 07586457), Whole-Time Director and CEO of your Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

7.2.2. Re-appointment of independent Director:

Mr. Sunil Dutt Bhatt was re-appointed as the Independent Director of the Company by the Members through a resolution passed via postal ballot 12th December, 2025 for 5 (five) consecutive years commencing from 3rd August, 2026 to 2nd August, 2026.

Mr. Sunil Dutt Bhatt completed his Engineering from AMIM, Calcutta, and MSC in Statistics and Metallurgical Engineering. He has more than 35 years of experience in department of Instrument and weightment in Bhilai Steel Plant and had retired in 2020. He is re-appointed as a Non-Executive and Independent Director of our company with effect from 3rd August, 2026 and is the member of Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Audit Committee of the Board of Directors.

8. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6), Code for independent directors of the Companies Act, 2013 and of the Listing Regulations.

The independent directors, had, in addition to the provisions of Regulation 16(1)(b) of the Listing Regulations, also confirmed that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence and that he/she is independent of the management.

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

9. STATEMENT ON COMPLIANCE OF CODE OF CONDUCT:

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has adopted the Code of Conduct for the members of the Board and Senior Executives of the Company. The Code is also applicable to Non-Executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

The code has been amended at the meeting of the Directors which was held on 22nd May, 2026, the said code of conduct is effective from 1st June, 2026.

A copy of the Code has been put on the Company's website (<https://www.sarthakmetals.com/investors-code-of-conduct.aspx?mpgid=24>). The Code has been circulated to Directors and Senior Executives and its compliance is affirmed by them annually. A declaration signed by the Chief Executive Officer is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and senior executives in respect of Financial Year 2025-26."

Sd/-

Mr. Mayur Bhatt

Whole-Time Director and CEO

10. BOARD AND THE COMMITTEE MEETINGS:

The Board of Directors met 5 (Five) times during the financial year 2025-26. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

As on 31st March, 2026, the Board had four committees: the audit committee, the corporate social responsibility committee, the nomination and remuneration committee and the stakeholder's relationship committee. All committee comprise only independent directors, one of whom is chosen as the chairperson of the committee.

During the year, all recommendations made by the committees were approved by the Board.

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report in **Annexure-A**.

11. NOMINATION & REMUNERATION POLICY OF THE COMPANY:

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for the selection and appointment of Directors and Senior Management, and for their remuneration.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. Extract of Remuneration Policy from Nomination and Remuneration policy is annexed to this report as '**Annexure- B**' and full policy can be accessed from website of the Company (<http://www.sarthakmetals.com/docs/Nomination-and-Remuneration-Policy.pdf>).

12. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its committees.

The Company believes that formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the Company, evaluations provide an ongoing means for directors to assess their individual and collective performance and effectiveness.

Having said that, the Company conducted the Board Evaluation process for the assessment of the performance of the entire Board, individual director performance, performance of the Chairperson and review of management support to the Board.

The Company Secretary placed before the Board the questionnaire which included the points of the evaluation and its criteria to review the functioning of the Board, and its Chairman, Directors, Committees and Individual Directors.

The performance of the board was evaluated by the Directors after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January, 2017. In a

separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

13. FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS:

The Board of your Company acknowledges that given the roles and responsibility of the Independent Directors and Non-Executive Director of the Company they are from time to time made aware of the Company's business conduct, the strategy, operations and functions of the Company and also from time to time the Independent Directors along with the Non-Executive Director visit the manufacturing facilities of the Company situated at Hathkhaj, Durg, India, to understand the processes of manufacturing of Cored Wires, this enables them to take part in the Board and Committee meeting effectively and efficiently as and when a product related discussion comes before the Board and Committee meetings.

At various Board meetings during the year, the Board members are provided with information/presentations and are given the opportunity to interact with the Senior Management of your Company to help them to understand the Company's strategy/policies, business model, operations, products, markets, organization structure, finance, human resources, technology, quality, facilities and risk management, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and such other matters as may arise from time to time.

The policy on familiarization programmes for Independent Directors is posted on the website of the Company and can be accessed at (<http://www.sarthakmetals.com/docs/Familiarization%20of%20Independent%20Directors.pdf>).

14. DIRECTORS' RESPONSIBILITY STATEMENT:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this

Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Company has proper and adequate system of internal controls to ensure that all the assets are safeguarded and protected against losses from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company has an effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws. The auditors have also expressed their satisfaction on the adequacy of the internal control systems incorporated by your company.

16. FRAUDS REPORTED BY THE AUDITOR:

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

17. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

The Company does not have any Subsidiary Company or Joint Venture Company or Associate Company and hence this clause of Directors Report is not applicable.

18. DEPOSITS:

During the year under review, your Company has not accepted, invited and/or received any deposits from public within the meaning of Section 73 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014, as amended from time to time.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Loans and investment covered under Section 186 of the Act have been disclosed in the financial statements read with Auditors Report, which forms part of this Integrated Annual Report.

The Company has not extended any guarantees in the year under review.

20. ANALYSIS OF REMUNERATION:

Disclosure/details pursuant to provisions of Section 197 (12) of the Companies Act 2013 read with the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:

Names and Designation	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase/decrease in Remuneration
Ms. Rama Kohli (Independent Director)	NIL	Not Applicable
Mr. D. V. Giri (Independent Director)	NIL	Not Applicable
Mr. Sunil Dutt Bhatt (Independent Director)	NIL	Not Applicable
Mr. Anoop Kumar Bansal (Managing Director)	28 times	No Change
Mr. Mayur Bhatt (Whole Time Director & CEO)	6 times	No Change
Mr. Sunil Kumar Agarwal (Director)	NIL	Not Applicable
Mr. Sanjay Shah (Whole Time Director)	28 times	No Change
Mr. Anirudh Singhal (Chief Financial Officer)*	2.20 times	Decrease by 3.70%
Mr. Pratik Jain (Company Secretary)	3 times	Increased by 10%
Mr. Narendra Dewangan (Chief Financial Officer)#	5 times	Increased by 10%

*Mr. Anirudh Singhal, CFO of the Company resigned from the post w.e.f. 31st July, 2026.

#Mr. Narendra Dewangan, has been appointed as CFO of the Company w.e.f. 01st August, 2026 (includes full year remuneration).

The median remuneration of employees of the Company during the financial year was ₹ 2,36,256 p.a. Please note that only those persons who were employees as on 31st March, 2026 have been considered for the calculation of the median salary.

[C] Percentage increase in the median Remuneration of Employees.	Increase of 10.05%
[D] Number of permanent Employees on the rolls of Company.	149 as on 31 st March, 2026
[E] Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.	The median salary of non-managerial staff has increased by 10.05%. The average salary of managerial staff has seen no change.
[F] Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms that the remuneration is as per the remuneration policy of the Company.

During the year, none of the employees received remuneration in excess of ₹ One Crore Two Lakhs or more per annum, or ₹ Eight Lakhs per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business to further the business interests of the Company. Prior approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis.

The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Act. Also, there were no material related party contracts entered into by the Company as per the Companies Act, 2013 and rules made thereunder. The disclosure as required under Section 134(3)(h) of the Act in Form AOC-2 is attached as **Annexure C**. Details of related party

transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone financial statements forming part of this Report.

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website – (<http://www.sarthakmetals.com/docs/Policy%20on%20Materiality%20of%20Related%20Party%20Transactions%20and%20Dealing%20with%20Related%20Party%20Transactions.pdf>).

22. CORPORATE GOVERNANCE REPORT:

Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Our disclosures seek to attain the best practices in international corporate governance.

Pursuant to Schedule – V of Listing Regulations, Corporate Governance Report along with the Auditors' certificate regarding compliance of conditions of Corporate Governance is made part of this report as **Annexure A**.

23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Regulation 34 read with Schedule - V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Management Discussion & Analysis Report is covered between page no. 30 to 35 of this report.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company believes in giving back to society in some measure that is proportionate to its success in business. In view of this, the Company's Corporate Social Responsibility (CSR) aims to extend beyond charity and enhance social impact.

In this direction, the Company's CSR Committee steers us and as per the Annual Action Plan, the said committee had approved the areas of rural development, eradication of poverty and hunger, education, healthcare and environmental sustainability. CSR has been an integral part of the way the Bansal Group conducts its business since its inception.

We focus on our social and environmental responsibilities to fulfil the needs and expectations of the communities around us. Our CSR is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability-related initiatives. Our CSR Policy aims to provide a dedicated approach to community development in the areas of rural development, eradication of poverty and hunger, education, healthcare and environmental sustainability. We contribute to serve the development of people by shaping their future with meaningful opportunities, thereby accelerating the sustainable development of society while preserving the environment, and making our planet a better place today and for future generations.

The Corporate Social Responsibility CSR Policy of the Sarthak Metals is aligned with its overall commitment to maintaining the highest standards of business performance. We recognize that our business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.

Members are requested to refer the Corporate Governance Report forming part of this annual report for the composition of the CSR Committee. The CSR policy of the Company is available on the website of the Company at (<http://www.sarthakmetals.com/docs/Corporate-Social-Responsibility-Policy.pdf>).

The annual report on the CSR activities is annexed as **Annexure D** to this report.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. The provisions relating to conservation of energy and technology absorption, as stipulated in the Companies (Accounts) Rules, 2014, are not applicable to the Company, as its operations are not energy intensive. Nevertheless, in line with the Company's commitment to sustainability and the availability of alternative energy sources, the Board of Directors, at their meeting held on 11th November, 2022, approved the installation of a rooftop solar power plant. This solar project has contributed to an ~50% decrease in our energy.

B. Foreign exchange earnings and Outgo:

Particulars	As on 31.03.2025	As on 31.03.2026
Foreign Exchange Earnings (Export)	31,35,44,756.84	33,10,48,693.39
Foreign Exchange Outgo (Import)	62,53,22,260.00	59,30,26,493.00

26. RISK MANAGEMENT:

During the year, the Company reviewed and strengthened its risk management policy and the risk management framework which ensures that the Company is able to carry out identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

27. DETAILS OF ESTABLISHMENT OF WHISTLE BLOWER POLICY FOR VIGIL MECHANISM:

Pursuant to the Section 177 (9) and (10) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Stakeholders, Individual Employees and their representative bodies, to report to the audit committee about the illegal or unethical practices or frauds, or violation of the Company's Code of Conduct.

It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The mechanism also provides adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases.

The full policy on whistle blower is available at (<http://www.sarthakmetals.com/docs/SML-Whistle-Blower-Policy.pdf>).

28. MATERIAL ORDERS OF JUDICIAL BODIES/REGULATORS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

29. AUDITORS:

29.1. Statutory Auditors':

At the twenty-seventh AGM held on 5th September, 2022 the Members approved the re-appointment of Begani and Begani, Chartered Accountants (Firm Registration 010779C) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty-second AGM to be held in the year 2027.

29.2. Secretarial Auditors:

At the Thirtieth AGM held on 25th July, 2025, the Members approved the appointment of

M/s. Nilesh A. Pradhan & Co. LLP, Company Secretaries (Firm Registration No. L2018MH005200), a Practicing Company Secretary for the first term of Five Years commencing from 1st April, 2025.

29.3. Cost Auditors':

Pursuant to the provisions of Section 148 of Companies Act, 2013 and the rules made thereunder, the Company has appointed Mr. Gajadhar Prasad, Cost Accountants (Membership No. 39559) to undertake the Cost Audit of the Company for the Financial Year ended 31st March, 2026.

The Board on the recommendation of Audit Committee of the Company, have appointed M/s. Gajadhar Prasad and Co., Cost Accountants (Membership No. 39559) as Cost Auditors to conduct Cost Audit for the Financial Year ended 31st March, 2027, the remuneration to be paid to Cost Auditors is proposed to be approved by the members at the ensuing Annual General Meeting of the Company.

30. SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report for the financial year ended 31st March, 2026 is annexed to this report as 'Annexure- E' and forms an integral part of this report:

Observation of Secretarial Auditors'	Reply of the Management
The intimation of resignation of Chief Financial Officer dated 31 st July, 2025 was submitted on 2 nd August, 2025. There was delay in submission of resignation of Chief Financial Officer.	The Company has submitted the disclosure on 2 nd August, 2025 and the effective date of resignation and date of resignation both being 31 st July, 2025. The said delay was caused due to waiting time of one day for receiving the resignation letter but the CFO sent the mail mentioning the resignation without any resignation letter, after waiting for a day the Company proceeded to file the print copy of mail received on 2 nd August, 2025.

31. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS:

The Board has duly reviewed the Statutory Auditor's Report on the Financial Statements of the Company. The observations, comments and notes of Auditor are self-explanatory and do not call for any further explanation/clarification.

32. DISCLOSURE REQUIREMENTS:

32.1. As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis form part of the Director's Report.

32.2. The Company properly complies with the provision of all applicable Secretarial Standards on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by the Institute of Company Secretaries of India.

33. DIVIDENDS LYING IN THE UNPAID DIVIDEND ACCOUNT:

The Company in compliance with Section 124 of Companies Act, 2013 has transferred to the Unpaid Dividend Account the following amounts to the Unpaid Dividend Accounts:

Sr. No.	Type of Dividend and Year	Amount (In ₹)	Year in which it will get transferred to IEPF
1.	Final Dividend 2020-21	15,931	2028
2.	Interim Dividend 2021-22	3,683	2029
3.	Final Dividend 2021-22	5,795	2029
4.	Interim Dividend 2022-23	10,796	2030
5.	Final Dividend 2022-23	97,555	2030
6.	Interim Dividend 2023-24	1,05,125	2031
7.	Final Dividend 2024-25	44,914.50	2032

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended which provides that all dividend(s) remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account are required to be transferred to the Investor Education and Protection Fund (IEPF) Authority established by the Central Government.

The Company is making all the efforts to deliver individual notices through emails to the shareholders whose unpaid dividend has not been claimed.

More details are available at the website of the Company at (<http://www.sarthakmetals.com/investors-unpaid-dividend.aspx?mpgid=24>).

34. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual return as on 31st March, 2026 is available on the Company's website on <https://www.sarthakmetals.com/docs/Annual%20Return%202025-26.pdf>.

35. A STATEMENT AS TO WHETHER COST RECORDS IS REQUIRED TO BE MAINTAINED BY THE COMPANY PURSUANT TO AN ORDER OF THE CENTRAL GOVERNMENT AND ACCORDINGLY SUCH RECORDS AND ACCOUNTS ARE MAINTAINED:

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

36. APPLICATIONS MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

The Company has not made any application nor any proceeding under the Insolvency and Bankruptcy Code, 2016 is pending, hence this disclosure is not applicable to the Company.

37. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the year under review, the Company has not entered into one-time settlement with any Banks or Financial Institutions, hence this disclosure is not applicable to the Company.

38. DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

At Sarthak, our goal has been to create an open and safe workplace where each and every employee feels empowered to contribute to the best of their abilities, irrespective of gender, sexual preferences or any other classification that has no bearing on the employee's work output. Towards this, the Company has already set up the Internal Complaints Committee to consider and resolve all sexual harassment complaints reported by women. The constitution of the IC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The committee is chaired by Ms. Pratibha Prasad, Manager, Human Resource, of the Company. No complaint was received during the year.

39. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961:

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

40. ACKNOWLEDGEMENTS:

The Board of Directors wishes to place on record its sincere gratitude and appreciation to all those who have contributed to the growth and success of the Company during the year under review.

The Directors take this opportunity to express their heartfelt gratitude to the shareholders of the Company for the trust and confidence reposed in the Board of Directors and the Management. Their continued faith and support remain a source of strength and inspiration for the Company.

The Board also places on record its deep appreciation for the employees at all levels, whose dedication, hard work, commitment and team spirit have been the driving force behind the Company's consistent performance and growth. The Directors acknowledge that the Company's human capital is its most valuable asset, and the collective efforts of the workforce have been instrumental in achieving the Company's objectives.

The Directors further express their sincere thanks to the customers of the Company for their continued patronage, trust and loyalty. Their unwavering confidence in the Company's products and services has been a key motivating factor for the Company to continually raise its standards of quality and service delivery.

The Board also acknowledges and appreciates the support extended by the vendors, suppliers and business associates of the Company, whose consistent co-

operation, timely delivery and collaborative approach have significantly contributed to the operational efficiency and growth of the Company.

The Directors wish to express their gratitude to all other stakeholders, including lenders, financial institutions, banks and investing community, for their continued support and confidence in the Company's management and business operations.

The Board further places on record its sincere appreciation for the continued co-operation and support received from the Government of India, the Governments of various States in India, and the various Government departments, regulatory authorities and statutory agencies for their guidance, encouragement and co-operation extended to the Company from time to time. The Directors look forward to their continued support in the years ahead.

The Directors are confident that with the continued support of all stakeholders, the Company will achieve greater heights in the coming years.

Date: 10th July, 2026
Place: Bhilai (C.G.)

Sd/-
Anoop Kumar Bansal
Managing Director
DIN: 01661844

Sd/-
Mayur Bhatt
Whole-Time Director & Chief Executive Officer
DIN: 07586457

Annexure A

Corporate Governance Report

1. A BRIEF STATEMENT ON SARTHAK METALS LIMITED'S PHILOSOPHY ON CODE OF GOVERNANCE:

Sarthak Metals Limited firmly believes that good corporate governance is the foundation of sustainable business growth and long-term value creation for all stakeholders. The Company is committed to conducting its business affairs with integrity, transparency, accountability, fairness, and ethical practices while complying with all applicable laws, regulations, and statutory requirements.

The Company's governance framework is designed to ensure effective management and control of its operations, protection of shareholders' interests, and enhancement of stakeholder confidence. Sarthak Metals Limited recognizes that sound corporate governance practices contribute significantly to business excellence, operational efficiency, and risk management.

Throughout the year, the Board of Directors has actively overseen the Company's strategic direction and compliance with legal and regulatory requirements. We continue to foster a culture of ethical conduct and strong internal controls, aligning our practices with industry best standards and stakeholder expectations.

It is within this context that the Company wholeheartedly adopts good governance practices. The Company believes that corporate governance is an integral means for the existence of the Company. It ensures adherence to the moral and ethical values, legal and regulatory framework, and the adoption of good practices beyond the realms of law.

The laws relating to Corporate Governance, enshrined either in the Companies Act, 2013 or in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are complied with in its letter and spirit. The Company complies with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. In this regard your kind attention is being drawn that your Company makes disclosures from time to time in compliance with the Listing Regulations on the website of the Stock Exchanges in the below mentioned links:

BSE at <https://www.bseindia.com/stock-share-price/sarthak-metals-ltd/smlt/540393>

NSE at <https://www.nseindia.com/get-quote/equity/SMLT/Sarthak-Metals-Limited>

2. BOARD OF DIRECTORS

2.1. Composition:

- i. The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the Listing Regulations. As on 31st March, 2026, the Board of your Company consisted of 7 (Seven) Directors, including three whole-time Executive Directors (including Managing Director and Chief Executive Officer), 1 (one) non-executive non-independent professional director as a chairman, and 3 independent directors (including a woman director).
- ii. None of the Directors on the Board:
 - holds directorship in more than ten public companies;
 - serves as Director or as an independent director in more than seven listed entities; and
 - Who are the Executive Directors and serve as independent directors in more than three listed entities.

None of the Directors is holding any Committee position in other public companies as of 31st March, 2026, and the Directors are also not related to each other.

- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act, along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

- iv. The names and categories of the directors on the Board and other relevant information as on 31st March, 2026 are as under:

Name of Directors and DIN	Category	No. of other directorships held*	Member/ Chairman of the Board Committees	No. of shares held in the Company
Mr. Sunil Kumar Agarwal (Chairman) DIN: 08680582	Non-Independent, Non-Executive Professional Director	-	-	50,000
Mr. Anoop Kumar Bansal (Managing Director) DIN: 01661844	Promoter – Executive Director	-	-	11,45,250
Mr. Sanjay Chamanlal Shah (Whole Time Director) DIN: 00350967	Promoter – Executive Director	-	-	10,89,403
Mr. Mayur Bhatt (Whole Time Director and Chief Executive Officer) DIN: 07586457	Non-Promoter Executive Director	1*	-	4,54,050
Mr. Dwadasi Venkata Giri DIN: 02565046	Independent, Non-Executive Director	-	3	-
Ms. Rama Kohli DIN: 01835824	Independent, Non-Executive Director	-	3	-
Mr. Sunil Dutt Bhatt DIN: 09263587	Independent, Non-Executive Director	-	3	-

*Including private limited companies but excluding the Company.

The Directors are not related to each other.

2.2. Board Meetings:

The Board of Directors is provided with the requisite information mentioned in the Listing Regulations well before the Board meetings. Five meetings of the Board of Directors were held during the year ended 31st March, 2026, and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

- 22-05-2025
- 16-06-2025
- 13-08-2025
- 12-11-2025
- 10-02-2026

The necessary quorum was present for all the meetings.

The attendance record of the Directors at the Board Meetings during the year ended on 31st March, 2026 and at the last Annual General Meeting is as under:

Names of Directors	No. of Board Meetings attended	Last AGM Attended
Mr. Sunil Kumar Agarwal	4	No
Mr. Anoop Kumar Bansal	5	Yes
Mr. Sanjay Chamanlal Shah	4	Yes
Mr. Mayur Bhatt	5	Yes
Mr. Dwadasi Venkata Giri	5	Yes
Ms. Rama Kohli	5	Yes
Mr. Sunil Dutt Bhatt	4	Yes

The Board periodically reviews the compliance reports of all laws applicable to the Company.

2.3. List of core skills/expertise/competence of the Board of Directors:

Your Company belongs to the iron and steel sector. A chart setting out the list of core skills/expertise/competencies as identified by the Board of Directors as required in the context of its business and sector for it to function effectively, and those available with the Board are as follows:

Sr. No.	Skills/expertise/competencies	Mr. Sunil Kumar Agrawal	Mr. Anoop Kumar Bansal	Mr. Sanjay Shah	Mr. Mayur Bhatt	Mr. D V Giri	Ms. Rama Kohli	Mr. Sunil Dutt Bhatt
1.	Technical and Strategic Planning	√	√	√	√	√	√	√
2.	Production and General Management and Budgeting	-	√	√	√	-	-	√
3.	Sales and Marketing and Investor Relations	-	-	√	√	-	-	-
4.	Operations and Accounting	-	√	-	√	√	√	√
5.	Finance and Banking	-	√	-	√	√	√	-
6.	Business Development	-	-	√	√	-	-	-
7.	Product development and weightment	√	√	√	-	-	-	√

Sr. No.	Name of Director	Qualification and Experience
1.	Mr. Sunil Kumar Agrawal	B.E. (Hons) (Mechanical) He served as Divisional Railway Manager, Nagpur, and as Chief Commercial Manager, SEC Rly, Chief Operating Manager South Central Railway, Hyderabad and as an Additional Member, Ministry of Railways, (equivalent to Additional Secretary to Govt. of India).
2.	Mr. Anoop Kumar Bansal	Bachelor of Commerce and has more than 29 years of experience in the business and industry.
3.	Mr. Sanjay Chamanlal Shah	First Year of Bachelor of Commerce and having more than 4 decades of experience in the business and industry and he is heading the Sales & Marketing division of our Company.
4.	Mr. Mayur Bhatt	Bachelor in Arts and Diploma in Electrical Engineering and having more than 21 years of experience in the industry.
5.	Mr. Dwadasi Venkata Giri [#]	Masters of Commerce, LL.B and CA IIB and has vast experience in banking and finance domain.
6.	Ms. Rama Kohli	Bachelor in Science and PGDBM and having experience in business advisory activities.
7.	Mr. Sunil Dutt Bhatt	Bachelors in Engineering and Masters of Science in Statistical and Metallurgical Engineering and having more than 35 years of experience in department of Instrument and weightment in Bhilai Steel Plant.

2.4. Independent Directors:

The Board of Directors confirm that in the opinion of the Board, all Independent Directors are independent of the management of the Company and have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI Listing Regulations.

The Company's Independent Directors met on the 10th of February, 2026, without the presence of the management and other non-executive directors. Independent Directors discussed matters about the Company's affairs and reviewed the performance of Non- Non-Independent Directors, Board as a whole, and Chairman of the Company, and shared their views/suggestions with the Chairman and Managing Director and with the Board of Directors.

The link to the policy on familiarisation programmes for the Independent Directors is <https://www.sarthakmetals.com/docs/Detail%20for%20familiarization%20programme.pdf>

2.5. Code of Conduct:

The Company has in place a comprehensive Code of Conduct (the Code) applicable to senior executives and Directors. The Code applies to Non-Executive Directors, including Independent Directors, to the extent applicable to them, depending on their roles and responsibilities. The Code gives guidance and support needed for the ethical conduct of business and compliance with the law.

A copy of the Code has been put on the Company's website (<https://www.sarthakmetals.com/docs/Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Management.pdf>). The Code has been circulated to Directors and Senior Executives, and their compliance with it is affirmed annually. A declaration signed by the Chief Executive Officer is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and senior executives in respect of Financial Year 2025-26."

Mr. Mayur Bhatt
Whole-Time Director and CEO

Committees of the Board

There are four Board Committees as on 31st March, 2026, details of which are as follows.

3 AUDIT COMMITTEE:

3.1 Brief description of terms of reference:

The terms of reference of the committee are as per the provisions of Section 177 of the Companies Act, 2013 read with the regulation 18 of SEBI Listing Regulations, which inter-alia includes the following:

- a. Oversight of financial reporting process.
- b. Reviewing with the management, the quarterly and annual financial statements and auditors' report thereon before submission to the Board for approval.
- c. Evaluation of internal financial controls and risk management systems.
- d. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- e. approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- f. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- g. reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- h. discussion with internal auditors of any significant findings and follow up there on.
- i. to review the functioning of the whistle blower mechanism.
- j. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate

- k. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- l. Approval or any subsequent modification of transactions of the company with related parties including Material Related Party Transactions.
- m. Such other duties and responsibilities as assigned by the Board from time to time.

3.2. Composition, name of members and chairperson:

Name of Members	Category
Mr. Dwadasi Venkata Giri	Chairman, Independent Director
Ms. Rama Kohli	Member, Independent Director
Mr. Sunil Dutt Bhatt	Member, Independent Director

3.3. Meetings and attendance during the year:

Five meetings of Audit Committee were held during the year under review on the following dates:

- i. 22-05-2025
- ii. 16-06-2025
- iii. 13-08-2025
- iv. 12-11-2025
- v. 10-02-2026

Requisite quorum was present during the meetings.

Names of Directors	No. of Audit Committee Meetings attended
Mr. Dwadasi Venkata Giri	5
Ms. Rama Kohli	5
Mr. Sunil Dutt Bhatt	4

The Chief Financial Officer regularly attends the Committee meetings, and the Company Secretary acts as the Secretary to the Audit Committee.

Mr. Pratik Jain, Company Secretary, is the Compliance Officer to ensure compliance and effective implementation of the Insider Trading Code.

The previous AGM of the Company was held on July 25, 2025 and was attended by Mr. D.V. Giri, Chairman of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE ("NRC"):

4.1 Brief description of terms of reference:

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act and is responsible for:

- Recommend to the Board the setup and composition of the Board and its Committees.
- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Oversee familiarization programs for Directors.
- Such other duties and responsibilities as assigned from the Board of Directors from time to time.

4.2 Composition, name of members and chairperson:

Name of Members	Category
Mr. Dwadasi Venkata Giri	Chairman, Independent Director
Ms. Rama Kohli	Member, Independent Director
Mr. Sunil Dutt Bhatt	Member, Independent Director

4.3. Meetings and attendance during the year:

Two meeting of Nomination and Remuneration Committee were held during the year under review on the following dates:

- 22nd May, 2025
- 13th August, 2025

Requisite quorum was present during all the meetings.

Names of Directors	No. of Nomination and Remuneration Committee Meetings attended
Mr. Dwadasi Venkata Giri	2
Mr. Sunil Dutt Bhatt	2
Ms. Rama Kohli	2

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.
- The previous AGM of the Company held on July 25, 2025 and was attended by Mr. D.V. Giri, Chairman of the NRC.

4.4. Performance evaluation criteria for independent directors:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

For more details refer point no. 13 of Directors Report.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE ("SRC"):

5.1 Brief description of terms of reference:

The Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act and is responsible for:

- Consider and resolve the grievances of security holders.
- Consider and approve issue of share certificates, transfer and transmission of securities, etc.

5.2 Composition, name of members and chairperson:

Name of Members	Category
Mr. Dwadasi Venkata Giri	Chairman, Independent Director
Ms. Rama Kohli	Member, Independent Director
Mr. Sunil Dutt Bhatt	Member, Independent Director

5.3 Meeting and attendance during the year:

One meeting of the Stakeholders Relationship Committee was held during the year under review on May 22, 2025 requisite quorum was present during the meeting.

Names of Directors	No. of Stakeholders' Relationship Committee attended
Mr. Dwadasi Venkata Giri	1
Ms. Rama Kohli	1
Mr. Sunil Dutt Bhatt	1

The Company received 1 complaint during the year, and the complaint was resolved by the Company. At the end of the Financial Year ended there was no pending complaints.

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Stakeholders Relationship Committee and is the Compliance Officer for the requirements of SEBI Listing Regulations.
- The previous AGM of the Company held on July 25, 2025 and was attended by Mr. D.V. Giri, Chairman of the SRC.

- The Committee is spearheaded by Mr. Dwadasi Venkata Giri, Non-Executive Independent Director.

6. SENIOR MANAGEMENT:

The following persons constitute the senior management of the Company:

- Mr. Manoj Kumar Bansal – President
- Mr. Anoop Kumar Bansal – Managing Director
- Mr. Sanjay Chamanlal Shah – Whole-Time Director
- Mr. Mayur Bhatt - Whole-Time Director and CEO
- Mr. Narendra Dewangan – CFO*
- Mr. Anirudh Singhal – CFO*
- Mr. Pratik Jain – Company Secretary and Compliance Officer
- Mr. Gaurav Agarwal – General Manager (Import and Export)
- Mr. RSN Murty – General Manager (Marketing)
- Mr. Sarthak Bansal – Deputy General Manager (Purchase)
- Mr. Samarth Bansal - Deputy General Manager (Plant)
- Mr. Sagar Shah – Vice President (Purchase and Sales)
- Mr. Narendra Dewangan – Head Accountant
- Mrs. Jaya Bhatt – Executive (Purchase and Sales)
- Mrs. Shallini Shah – Executive (Marketing)

Mr. Anirudh Singhal, CFO of the Company resigned from the Company w.e.f. 31st July, 2025, except this there were no change in the senior management during the year.

The designation of Mr. Narendra Dewangan has been changed to Chief Financial Officer pursuant to his appointment as CFO of the Company on and from 01st August, 2025

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

7.1. Brief description of terms of reference:

The Committee is constituted in line with the provisions of Section 135 of the Act and is responsible for:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above, and
- Monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time.

7.2. Composition, name of members and chairperson:

Name of Members	Category
Mr. Dwadasi Venkata Giri	Chairman, Independent Director
Ms. Rama Kohli	Member, Independent Director
Mr. Sunil Dutt Bhatt	Member, Independent Director

7.3. Meetings and attendance during the year:

Four meetings of Corporate Social Responsibility Committee were held during the year under review on the following dates:

- 22-05-2025
- 13-08-2025
- 12-11-2025
- 10-02-2026

Requisite quorum was present during the meetings.

Names of Directors	No. of Corporate Social Responsibility Committee Meetings attended
Mr. Dwadasi Venkata Giri	4
Ms. Rama Kohli	4
Mr. Sunil Dutt Bhatt	3

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.
- The previous AGM of the Company held on 25th July, 2025 and was attended by Mr. D.V. Giri, Chairman of the CSR Committee.

8. REMUNERATION OF DIRECTORS:

8.1. Remuneration Policy

The Company has in place a Remuneration Policy duly approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Company. Remuneration given to the Directors of the Company is based on the principles of performance, equity, and competitiveness. The Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.

The remuneration of the Executive Directors, KMPs and Senior Management Personnel is based on the Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary (including fixed pay and variable pay) and perquisites based on the recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The non-executive directors are paid remuneration by way of a sitting fee

for attending the meetings of the Board and Committees thereof. No stock options were granted to the Directors of the Company during the year under review. The appointment of the Executive Directors is governed by the resolutions passed by the Board and the shareholders of the Company, read with the service rules and regulations of the Company.

The policy on the payments to non-executive directors is available on the website of the Company at below mentioned address:

<http://www.sarthakmetals.com/docs/Policy%20on%20remuneration%20to%20Non%20Executive%20Directors.pdf>

The Company's remuneration policy for Directors, Key Managerial Personnel and other employees can be accessed at <http://www.sarthakmetals.com/docs/Nomination-and-Remuneration-Policy.pdf> on the website of the Company.

8.2. Details of Remuneration paid to Directors during the financial year ended 31st March, 2026:

The Executive Directors have been paid remuneration as per terms of their appointment. The Non-Executive Directors have been paid sitting fees for the meeting of the Board Meetings attended by them.

a) Executive Directors

(₹ In Lakhs)							
Name of the Director	Designation	Salary	Perquisites and Allowances	Retiral Benefits	Bonus	Total	Stock Options Granted
Mr. Anoop Kumar Bansal	Managing Director	60.00	NIL	NIL	5	65.00	NIL
Mr. Sanjay Chamanlal Shah	Whole-Time Director	60.00	NIL	NIL	5	65.00	NIL
Mr. Mayur Bhatt*	Whole-Time Director	12.00	NIL	NIL	1	13.00	NIL

*Also holds the office of CEO.

Contract Period*:

1. Mr. Anoop Kumar Bansal – Five years from 21st August 2024
2. Mr. Sanjay Chamanlal Shah – Five years from 21st August 2024
3. Mr. Mayur Bhatt – Five years from 21st August 2024.

Severance Fees: Compensation as per the provisions of Companies Act, 2013.

b) Non-Executive Directors:

Particulars of commission/sitting fee paid to the Non- Executive Directors during financial year ended 31st March, 2026 are as follows:

Name of the Director	Sitting fees	Commission	Total
Mr. Sunil Kumar Agrawal	60.00	NIL	60.00
Ms. Rama Kohli	100.00	NIL	100.00
Mr. Dwadasi Venkata Giri	100.00	NIL	100.00
Mr. Sunil Dutt Bhatt	100.00	NIL	100.00

No commission has been paid to the Non-Executive Directors. There is no pecuniary relationship or transactions between the Company and Non-Executive Directors during the financial year 2025-26.

9. GENERAL BODY MEETINGS:

9.1.

The Annual General Meeting for the Financial Year 2024-25, 2023-24 and 2022-23 at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 and the details of Special Resolutions passed thereat are as under:

Year	Date	Day	Time	Special Resolutions passed
2023	21 st August, 2023	Monday	12:00 noon	[#] Refer to notes below
2024	20 th August, 2024	Tuesday	12:00 noon	[*] Refer to notes below
2025	25 th July, 2025	Friday	12:00 noon	[@] Refer to notes below

[#]The following Special resolutions were passed during the Financial Year ended 2023:

- i. To approve and fix the remuneration of the Mr. Anoop Kumar Bansal (DIN: 01661844), Managing Director of the Company.
- ii. To approve and fix the remuneration of the Mr. Sanjay Chamanlal Shah (DIN: 00350967), Whole-Time Director of the Company.

^{*}The following Special resolutions were passed during the Financial Year ended 2024:

- i. Re-appointment of Mr. Anoop Kumar Bansal (DIN: 01661844) as Managing Director.
- ii. Re-appointment of Mr. Sanjay Chamanlal Shah (DIN: 00350967) as Whole-Time Director.
- iii. Re-appointment of Mr. Mayur Bhatt (DIN: 07586457) as Whole-Time Director.

[@]The following Special resolutions were passed during the Financial Year ended 2025:

- i. Re-appointment of Mr. Dwadasi Venkata Giri (DIN: 02565046) as Independent Director.

9.2. Two Special Resolutions were passed during the financial year 2025-26 through postal ballot the details are as follows:

9.2.

A. Details and Pattern of Voting of Postal Ballot:

Date of Postal Ballot Notice	Resolution(s) passed through Postal Ballot	Votes in favour/against the resolution (% of total number of valid votes)	Approval date	Date of Scrutiniser Report
12 th June, 2025	i. Addition in the main object of the Company and consequential alteration to the Object Clause of the Memorandum of Association of the Company	Votes in favour: 99.9815 Votes against: 0.0015	12 th December, 2025	14 th December, 2025
	ii. Re-appointment of Mr. Sunil Dutt Bhatt (DIN: 09263587) as Independent Director.	Votes in favour: 99.9985 Votes against: 0.0015		

9.2.

B. Procedure adopted for Postal Ballot:

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the rules framed thereunder and MCA Circulars. CA Atul Jain, Proprietor of M/s. Atul Jain & Co., Chartered Accountants, acted as Scrutiniser for conducting the Postal Ballot fairly and transparently. Voting results are available on the website of the Stock Exchanges and the Company.

Currently, there are no proposals to pass any special resolution through postal ballot.

10. MEANS OF COMMUNICATION:

i	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are submitted with the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR.
ii	Newspaper wherein results normally published	Financial Express and Shram Bindu (Vernacular) newspaper for the year 2025-26.
iii	Any website, where displayed	www.sarthakmetals.com
iv	Whether it also displays official news releases	The Company gives Press Releases to the stock exchanges and displays the same on its website.

10. MEANS OF COMMUNICATION: (Contd.)

v	The presentations made to institutional investors or to the analysts	The Company holds Analysts'/Investors Meetings from time to time. The presentations made at the said meetings are uploaded on Company's website. The necessary intimation in terms of Regulation 30 of SEBI LODR is also made to the stock exchanges.
vi	NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web-based application designed by NSE for corporations. All periodical compliance filings, like shareholding pattern, corporate governance report, media releases, among others, are filed electronically on NEAPS.
vii	BSE Corporate Compliance & Listing Centre (the "Listing Centre")	BSE's Listing Centre is a web-based application designed for corporations. All periodical compliance filings, like shareholding pattern, corporate governance report, media releases, among others, are filed electronically on the Listing Centre.
viii	SEBI Complaint Redressal System (SCORES)	The salient features of this system are: Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

The financial results and other relevant information are placed simultaneously on your Company's website at <http://www.sarthakmetals.com/investors-financials.aspx?mpgid=24>.

During the year news releases and presentations have been made to the institutional investors/analysts which have also been uploaded on the Company's website at <http://www.sarthakmetals.com/investors-presentation.aspx?mpgid=24>

11. GENERAL SHAREHOLDER INFORMATION:

11.1. Details of General Meeting:

Annual General Meeting:

Date	: Tuesday, 12 th August, 2026
Time	: 12:30 P.M.
Venue	: Hotel Ashish International, G.E. Road, Bhilai Power House – 490011
Financial Year	: 2025-26
Dividend payment date	: NA
Date of Book Closure/Record Date	: As mentioned in the Notice of this AGM

11.2. Listing on Stock Exchanges:

The equity shares of the Company are listed on the following exchanges:

Name and address of the Stock Exchange
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
ISIN (International Securities Identification Number): INE017W01010

No Security of the Company has been suspended from trading on any of the stock exchanges where they are listed.

The Company has paid Annual Listing Fees to BSE Limited and to the National Stock Exchange of India Limited, Mumbai, for the equity shares for the Financial Year 2026-27.

11.3. Registrar to an issue and share transfer agents (for physical as well as electronic):

Bigshare Services Pvt. Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093
Email ID - investor@bigshareonline.com
Contact number - 022-62638300/200 and
Fax No: +91 22 62638299

11.4. Share transfer system:

As per SEBI Listing Regulations and directions issued by SEBI, effective from 1st April, 2019 the securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior to 1st April, 2019 and returned due to deficiency in the document. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

Entire (100%) shareholding of the Company is Dematerialized, any transfer in the shares of the Company is being done in accordance with the Regulations made by Securities and Exchange Board of India and respective Stock Exchanges.

11.5. Reconciliation of Share Capital Audit

The reconciliation of Share Capital Audit is conducted by a Nilesh A. Pradhan & Co. LLP, Company Secretaries to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Ltd. ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form (0%) and the total number of shares in dematerialized form (100%) (held with Depositories) and that the request for dematerialization of shares is processed by the R&T Agents within stipulated period of 21 days and uploaded with the concerned depositories.

11.6. Distribution of shareholding:

Shareholding pattern as on 31st March, 2026:

Sr. No.	Category	No. of Shares	Percentage
1.	Promoter and Promoter Group	94,19,892	68.81
2.	Banks/MF's/FI's/Ins. Cos./NBFCs/AIF's	-	-
3.	Foreign Portfolio Investors	19,532	0.14
4.	Overseas Corporate Bodies	-	-
5.	Bodies Corporate	1,66,147	1.21
6.	Individual NRI's	1,06,814	0.78
7.	Resident Individuals	31,02,799	22.67
8.	IEPF Authority	-	-
9.	Others	8,74,566	6.39
Total*	1,36,89,750	100	

*There are no outstanding GDR's/ADR's/Warrants/Convertible Instrument of the Company.

Shareholding of Nominal Value	Shareholder		No. of shares	
(In ₹)	Number	% of Total	Number	% of Total
Up to 5000	11,608	99.26	2691723	19.66
5,001 – 10,000	43	0.37	294724	2.15
10,001 – 20,000	18	0.15	250606	1.83
20,001 – 30,000	3	0.03	73606	0.54
30,001 – 40,000	3	0.03	101253	0.74
40,001 – 50,000	1	0.01	50000	0.37
50,001 – 1,00,000	2	0.02	116500	0.85
1,00,001 and above	16	0.14	10111338	73.86
Total	11,694	100.00	1,36,89,750	100.00

11.7. Dematerialization of shares and liquidity:

The Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on 31st March, 2026, the Company has 100% shareholding including that of promoters in dematerialized form.

11.8. Commodity price risk or foreign exchange risk and hedging activities:

The company has in place a policy which establishes the risk management framework and defines the procedures and controls for effective management of risk's faced by the company.

The company is having exposure to foreign exchange fluctuation risk, however, there is natural hedging partly available in terms of exports made by your company. Due to these natural hedges & US Dollar benchmarking the currency fluctuation risk is non material.

In respect of price risk of raw materials used for manufacturing purpose, the same is taken care of as per

industry requirement. The company's exposure in none of the commodities, which are sourced for use in its business, material in the context of its overall operations. Furthermore, your company mostly enters into long term contracts. These long-term contracts are benchmarked to international commodity exchanges. Thus, such benchmarking provides both supply side and demand side hedge to your company's raw material price risks.

11.9. Our manufacturing unit's location:

17-N, Heavy Industrial Area, Hathkhaj, Bhilai - 490 026, Chhattisgarh, India.

11.10. Address for correspondence:

Sarthak Metals Limited
Registered Office Address:
BBC Colony, G.E Road,
Khursipar, Near Bhilai ITI,
Bhilai
Chhattisgarh - 490011
India
Tel: +91-9303773708
Email: cfo@sarthakmetals.com , cs@sarthakmetals.com,
info@sarthakmetals.com

11.11. Credit Ratings:

The Company has no long-term debt outstanding, and its existing borrowings are below the prescribed threshold requiring a mandatory credit rating under the applicable regulatory framework. Accordingly, the Company is not required to obtain a credit rating.

12. OTHER DISCLOSURES:

12.1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

During the period under review, the Company had not entered into any material significant related party

transactions that may have potential conflict with the interest of the Company.

None of the transactions with any of the related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 29 of standalone financial statements forming part of the Annual Report and also the explanatory statement No. 2 of Notice of the Annual General Meeting.

All related party transactions are negotiated on an arms' length basis and are intended to further the Company's interests.

12.2. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the last three years, the Company has complied with all the applicable Act and Regulations and there was no non-compliance by the Company. No penalties, strictures, fines were imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Markets except the following three instance:

For the Financial Year 2025-26:

Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') read with sub-para 7 of Para A of Part A of Schedule III of 'SEBI LODR' and read with master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 issued by Securities and Exchange Board of India dated 11 th November, 2024, the listed entities are required to intimate the resignation of Chief Financial Officer within 24 hours of the resignation.
Regulation/Circular No.	Regulation 30 of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015 & Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 issued by Securities and Exchange Board of India dated 11 th November, 2024
Deviations	Delayed submission of resignation of Chief Financial Officer
Action Taken by	Not Applicable
Type of Action	Not Applicable
Details of Violation	Intimation of resignation of the Chief Financial Officer was done after prescribed time limit of 24 hours. The intimation of resignation of Chief Financial Officer dated 31 st July, 2025 was submitted on 2 nd August, 2025.
Fine Amount	Not Applicable
Observations/Remarks of the Practicing Company Secretary	The intimation of resignation of Chief Financial Officer dated 31 st July, 2025 was submitted on 2 nd August, 2025.
Management Response	The Company has submitted the disclosure on 2 nd August, 2025 and the effective date of resignation and date of resignation both being 31 st July, 2025. The said delay was caused due to waiting time of one day for receiving the resignation letter but the CFO sent the mail mentioning the resignation without any resignation letter, after waiting for a day the Company proceeded to file the print copy of mail received on 2 nd August, 2025.
Remarks	The Company has taken necessary corrective action and informed that it will ensure all the compliances will be completed as per applicable timeline in future.

For the Financial Year 2024-25:

Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation 30 read with sub-para 15(a) of Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') states that the listed entities are required to disclose the schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet/call).
Regulation/Circular No.	Regulation 30 of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015
Deviations	Delayed submission of call scheduled on 8 th February, 2025. Only one day advance intimation submitted to the Stock Exchanges.
Action Taken by	National Stock Exchange of India Limited & BSE Limited

For the Financial Year 2024-25: (Contd.)

Type of Action	Stock Exchanges issued the cautionary letter.
Details of Violation	Intimation of Earning call was not submitted within the prescribed timelines of two working days in advance as per sub-para 15(a) of Para A of Part A of Schedule III of SEBI LODR. The intimation of earning call scheduled on 8 th February, 2025 was submitted to the Stock Exchanges on 6 th February, 2025.
Fine Amount	Not Applicable
Observations/Remarks of the Practicing Company Secretary	The intimation of earning call scheduled on 8 th February, 2024 was given on 6 th February, 2024 i.e only one working day in advance intimation was given to the Stock Exchanges.
Management Response	The reason for the delay was due to the delay in receipt of the link, etc., from the service provider (who conducts our Conference Call) due to some technical issues faced by them. The Company will ensure that such delay does not take place in the future and has also communicated the same to the service provider.
Remarks	The Company has taken necessary corrective action and informed that it will ensure all the compliances will be completed as per applicable timeline in future.

For Financial Year 2023-24:

Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation 34(1) (a) of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015 states that the listed entity shall submit to the stock exchange and publish on its website a copy of the annual report sent to the shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders.
Regulation/Circular No.	Regulation 34 of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015
Deviations	Delayed submission of Annual Report for the year 2022-23 to the National Stock Exchange of India Limited (NSE)
Action Taken by	National Stock Exchange of India Limited
Type of Action	Fine imposed as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22 January, 2020, which specifies Standard Operating Procedure (SOP) for imposing fines in case of non-compliance with Listing Regulations.
Details of Violation	Delayed submission of Annual Report to the National Stock Exchange of India Limited
Fine Amount	1,91,160/- (The fine is waived by NSE vide its letter dated 14 th April, 2024)
Observations/Remarks of the Practicing Company Secretary	There was delay of 81 days in submission of Annual Report to the National Stock Exchange of India Limited and the Company has submitted the same to NSE on 12 th October, 2023.
Management Response	The delay in submission of Annual Report is due to technical issues and there was no malafide intention on the part of the Company as the Company have submitted the Annual Report on BSE on the date of dispatch (21 st Day of July, 2023) and uploaded the same on the website of the Company. The Company has also submitted the Notice of Annual General Meeting to the NSE on 21 st July, 2023. The Company has applied for waiver of fine imposed by NSE which was approved by NSE vide its letter dated 14 th April, 2024.
Remarks	The Company has taken necessary corrective action and informed that it will ensure all the compliances will be completed as per applicable timeline in future.
Status	The fine has been waived by NSE vide its letter dated 14 th April, 2024.

12.3. Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:

The Company has put in place a mechanism for reporting illegal and unethical behaviour. The Company has a Vigil Mechanism under which the employees are free to report violations of applicable law and regulations and the Code of Conduct. The reportable matters may be disclosed to the Managing Director who will in turn report to Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

The said Policy has also been uploaded on Company's website at the following links:

<http://www.sarthakmetals.com/docs/SML-Whistle-Blower-Policy.pdf>

12.4. The Company has also formulated the Policy on Disclosure of Material Events or Information and Policy on Preservation and Archival of Documents:

The said Policies have also been uploaded on Company's website at the following links:

<http://www.sarthakmetals.com/docs/Policy-on-Criteria-for-Determining-Materiality-of-Events.pdf>

<http://www.sarthakmetals.com/docs/Policy-for-Preservation-of-Documents.pdf>

12.5. The Company has also formulated the Policy on the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

No Complaints pertaining to sexual harassment of women employees was received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Accordingly, there is no information required to be furnished.

The said Policy has also been uploaded on Company's website at the following links:

<http://www.sarthakmetals.com/docs/SML-Prevention-of-Sexual-Harassment-Policy.pdf>

12.6. Details of compliance with mandatory requirements and adoption of the nonmandatory requirements:

The Company has complied with the all the mandatory requirements during the Financial Year 2025-26.

12.7. Web link where policy for determining 'material' subsidiaries is disclosed;

<http://www.sarthakmetals.com/docs/SML-Material-Subsidiaries-Policy.pdf>

12.8. Web link where policy on dealing with related party transactions;

<http://www.sarthakmetals.com/docs/Policy%20on%20Materiality%20of%20Related%20Party%20Transactions%20and%20Dealing%20with%20Related%20Party%20Transactions.pdf>

12.9

A certificate has been received from Nilesh A. Pradhan & Co., LLP Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

12.10. Disclosure of commodity price risks and commodity hedging activities:

The company has a policy in place which establishes the risk management framework and defines the procedures and controls for effective management of risk's faced by the company.

The company is having exposure to foreign exchange fluctuation risk, however, there is natural hedging partly available in terms of exports made by your company. Due to these natural hedges & US Dollar benchmarking the currency fluctuation risk is non material.

In respect of price risk of raw materials used for manufacturing purpose, the same is taken care of as per industry requirement. The company's exposure in none of the commodities, which are sourced for use in its business, material in the context of its overall operations. Furthermore, your company mostly enters into long term contracts. These long-term contracts are benchmarked to international commodity exchanges. Thus, such benchmarking provides both supply side and demand side hedge to your company's raw material price risks.

12.11. The Board has adopted all the recommendations made by the committees of the Board during the year.

12.12. Total fees for all services paid by the listed entity and its subsidiaries, 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:

The Company has paid ₹ 5,00,000/- to the Statutory Auditors of the Company towards Statutory Audit and Tax Audit.

12.13.

The Company has advanced Loans to M/s Saviour Leasing Private Limited, which is an RBI-registered Non-Banking Financial Company (NBFC) of ₹ 14,00,00,000. In M/s Saviour Leasing Private Limited, Mr. Samarth Bansal, son of Mr. Anoop Kumar Bansal, Managing Director of the Company, is a member.

12.14. There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of SEBI Listing Regulations where they have any personal interest that may have a potential conflict with the interest of the Company at large requiring disclosure by them to Board of Directors of the Company. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 29 of standalone financial statements forming part of the Annual Report.

12.15. The financial statements of the Company for the year ended have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under the Companies (Accounting Standards) Rules, 2015.

12.16. Pursuant to the requirement of Regulation 30 of SEBI Listing Regulations, the Company would like to inform that no agreements (s) have been entered with the media companies and/or their associates which has resulted/will result in any kind of shareholding in the Company and consequently any other related disclosures viz. details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements etc. are not applicable. The Company has not entered into any other

back-to-back treaties/contracts/agreements/MoU's or similar instruments with the media companies and/or their associates.

12.17. Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

12.18. The discretionary requirements as specified in Part E of Schedule II have been adopted as given hereunder:

The Company during the Financial Year 2025-26 has not adopted any of the discretionary requirements as specified in Part E of Schedule II.

12.19 The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

Corporate Governance Certificate

To
The Members
SARTHAK METALS LIMITED

We have examined the compliance of conditions of Corporate Governance by Sarthak Metals Limited ("the Company"), for the year ended on 31st March, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of the conditions of Corporate Governance is a responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 explanation given to us by the Company the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended on 31st March, 2026.

We further state that compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Nilesh A. Pradhan & Co., LLP**
Company Secretaries

Prajakta V. Padhye
Partner
FCS No.: 7478
CP No.: 7891
PR No.: 1908/2022
UDIN: F007478H000792229

Place: Mumbai
Date: 10th July, 2026

Disqualification Report

Certificate [Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
SARTHAK METALS LIMITED

We have examined the relevant disclosures provided the by the Directors (as mentioned in below table) to SARTHAK METALS LIMITED (CIN: L51102CT1995PLC009772) having its Registered Office at B.B.C COLONY, KHURSIPAR, G.E. ROAD, BHILAI, Chhattisgarh - 490011 ("hereinafter referred to as 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 verification of Director Identification Number status at the portal www.mca.gov.in) and the relevant disclosures provided the by the Directors (as mentioned in below table) to the Company, we hereby certify that none of the Directors on the Board of the Company as stated below as on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	*Date of Appointment in the Company
1.	SANJAY CHAMANLAL SHAH	00350967	02/01/2003
2.	ANOOP KUMAR BANSAL	01661844	28/07/1995
3.	RAMA KOHLI	01835824	24/08/2016
4.	DWADASI VENKATA GIRI	02565046	31/07/2020
5.	MAYUR BHATT	07586457	21/08/2016
6.	SUNIL KUMAR AGARWAL	08680582	01/02/2020
7.	SUNIL DUTT BHATT	09263587	04/08/2021

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of 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 **Nilesh A. Pradhan & Co., LLP**
Company Secretaries

Prajakta V. Padhye
Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478H000792207

Place: Mumbai

Date: 10th July, 2026

CEO & CFO Certification

The Board of Directors,
Sarthak Metals Limited,
Bhilai - Chhattisgarh

1. We have reviewed the Balance Sheet as at 31st March, 2026, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended 31st March, 2026.

2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. The Financial Statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.

4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics.

5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:

a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company particularly during the period in which this report is being prepared.

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
- c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.

d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):

a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

b. Any significant changes in internal controls during the year covered by this report.

c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the Financial Statements.

d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct).

8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Date: 10th July, 2026
Place: Bhilai (C.G.)

Sd/-
MAYUR BHATT
CHIEF EXECUTIVE OFFICER
PAN: ANIPB5781C

Sd/-
NARENDRA DEWANGAN
CHIEF FINANCIAL OFFICER
PAN: AIFPD4143A

Annexure B

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS

Salient features of the Policy:

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (including Independent Director) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To carry out evaluation of performance of Directors, Key Management Personnel as well as Senior Management Personnel
3. To evaluate the level and composition of remuneration and the other terms of employment is reasonable and sufficient to attract, retain and motivate executives of the Company shall be competitive in order to ensure that the Company can attract and retain competent Executives.

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Note:

The full policy on Directors' Appointment and Remuneration is available on website of the Company at <http://www.sarthakmetals.com/docs/Nomination-and-Remuneration-Policy.pdf> and remuneration policy for Non-executive Directors is available on website of the Company at <http://www.sarthakmetals.com/docs/Policy%20on%20remuneration%20to%20Non%20Executive%20Directors.pdf>

Annexure C

FORM - AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) Date of approval by the Board
- g) Amount paid as advances, if any
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

Name(s) of the related party and nature of relationship		Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (Rs. in Lakh), if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
M/s Bansal Bothers	Enterprises over which significant Influence exists & A firm in which Director and KMP is Partner	Purchase of Goods and Services	Recurring (Annual)	1317.42	22/05/202	NIL
		Sales of Goods and Services		840.36		

Annexure D

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

At **SARTHAK METALS LIMITED**, we believe that long-term business success is deeply interlinked with our commitment to inclusive and sustainable development. Our Corporate Social Responsibility (CSR) initiatives reflect our dedication to contributing positively to the communities in which we operate.

In accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated a well-defined CSR Policy that outlines our strategic focus on social development. The CSR Committee of the Board ensures that our efforts remain aligned with our values and statutory responsibilities.

The Company's CSR philosophy is based on the keystones of:

- actively initiating and participating in projects that together make it the local lighthouse for the region which significantly improves the lives of the people where it operates and is present.
- commitment to create social and economic value as a corporate citizen and encouraging employees to participate and contribute to our various CSR programmes.
- managing the Company's operations using principles of sustainable development to minimise resource footprint and protect the health & safety of all the stakeholders.

The CSR Policy of Sarthak aims to achieve, consolidate and strengthen Good Corporate Governance including socially and environmentally responsible business practices that balance financial profit with social well-being.

2. The composition of the CSR committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Dwadasi Venkata Giri	Chairman, Non-Executive Independent Director	4	4
2.	Ms. Rama Kohli	Member, Non-Executive Independent Director	4	4
3.	Mr. Sunil Dutt Bhatt	Member, Non-Executive Independent Director	4	3

3. Provide the web-link where Composition committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

- Composition of the CSR committee shared above and is available on the Company's website at <http://www.sarthakmetals.com/investors-committees-of-board-of-directors.aspx?mpgid=24>
- CSR policy at <http://www.sarthakmetals.com/docs/Corporate-Social-Responsibility-Policy.pdf>.
- CSR projects approved by the board are disclosed on the website of the Company at <http://www.sarthakmetals.com/infrastructure.aspx?mpgid=10&pgid=10>.

4. 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

The provisions of Impact assessment as mandated under sub-rule (3) of rule 8 of the Companies, (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on

the Company as the obligation of the Company towards CSR is less than 10 crores in the three immediately preceding financial years.

5.

- Average net profit of the Company as per Section 135(5) of the Act:**
₹ 2147.67 Lacs.
- Two percent of average net profit of the Company as per Section 135(5) of the Act:**
₹ 42.95 Lacs.
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years:**
NIL
- Amount required to be set off for the financial year, if any:**
NIL
- Total CSR obligation for the financial year (7a+7b-7c):**
₹ 42.95 Lacs

(g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (₹ In Lacs)
(i)	Two percent of average net profit of the Company as per Section 135 (5)	42.95
(ii)	Total amount spent for the Financial Year	43.39
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.44
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (b) of the Act (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6) of the Act, if any		Amount remaining to be spent in succeeding financial years. (In ₹)
				Name of the Fund	Date of transfer	
Not Applicable						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Lacs.)	Amount spent on the project in the reporting Financial Year (In Lacs.)	Cumulative amount spent at the end of reporting Financial Year (in Lacs.)	Status of the project-Completed/ Ongoing
					NIL			

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s):

None

(b) Amount of CSR spent for creation or acquisition of capital asset:

NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.:

Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

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) of the Act:

Not Applicable

Sd/-
Anoop Kumar Bansal
Managing Director
DIN: 01661844

Sd/-
Dwadasi Venkata Giri
Chairman, Corporate Social Responsibility Committee
DIN: 02565046

Annexure E

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

For the financial year ended 31st March, 2026

To,

The Members,

SARTHAK METALS LIMITED

B.B.C COLONY, KHURSIPAR, G.E. ROAD, BHILAI, Chhattisgarh - 490011

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

Auditor's responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by "the Company" and submitted by the Company for verification through electronic mode and also the information provided by "the Company", its officers, agents authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended 31st March, 2026 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;

- 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 and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable as the Company has not issued any Share based Employee Benefits during the financial year under review);
 - (e) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued any further share capital during the financial year under review)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with Client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable as the Company has not delisted/propose to delist any of its securities during the financial year under review.); and

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/propose to buy back any of its securities during the financial year under review).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to below mentioned observation:

1. In terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the resignation of the Chief Financial Officer needs to be informed to the Stock Exchange within 24 hours of the event, however the intimation of the resignation of Chief Financial Officer dated 31st July, 2025 was submitted on 2nd August, 2025.

We further report that

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the period under review were carried out in accordance with the provisions of the Act.

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

The decisions at Board meetings and committee meetings are carried out unanimously or as recorded in the minutes of the meeting of Board of Directors or committee of the Board, as the case may be.

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

We further report that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Foreign Technical collaborations.

We further report that during the audit period, the Company has altered its main object clause by adding the new product line.

We further report that during the audit period the Company has not undertaken events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Nilesh A. Pradhan & Co., LLP**
Company Secretaries

Prajakta V. Padhye
Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478H000792262

Place: Mumbai

Date: 10th July, 2026

Note: This report should be read with our letter which is annexed as **Annexure I** and forms integral part of this report.

ANNEXURE - I

To,
The Members,
SARTHAK METALS LIMITED
B.B.C COLONY, KHURSIPAR, G.E. ROAD,
BHILAI, Chhattisgarh - 490011

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

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

For **Nilesh A. Pradhan & Co., LLP**
Company Secretaries

Prajakta V. Padhye

Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478H000792262

Place: Mumbai

Date: 10th July, 2026

Independent Auditors' Report

To
The Members of **Sarthak Metals Limited**
Report on the audit of the financial statements

OPINION

We have audited the standalone financial statements of **M/s SARTHAK METALS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March, 2026, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information's.

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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

AS PART OF AN AUDIT IN ACCORDANCE WITH SA'S WE EXERCISE PROFESSIONAL JUDGMENT AND MAINTAIN PROFESSIONAL SKEPTICISM THROUGHOUT THE AUDIT. WE ALSO:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

1. 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.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.
- (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

- III. There were no amounts which are required to be transferred by the Company to the Investor Education and Protection Fund.
- IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Act, as applicable.

VI. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For, Begani & Begani
Chartered Accountants
(FRN: 010779 C)

Sd/-
(Sankalp Sohaney)
Partner
M.No.: 434993
UDIN: 26434993FURLXM4516

DATE: 22.05.2026
PLACE: Raipur (C.G.)

Annexure "A"

to the Auditors Report

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

We have audited the internal financial controls over financial reporting of **SARTHAK METALS LIMITED (Formerly known as Sarbhak Metals Marketing Private Limited)** ("the Company") as of 31st March, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their

operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Begani & Begani
Chartered Accountants
(FRN: 010779 C)

Sd/-
(Sankalp Sohaney)
Partner
M.No.: 434993
UDIN: 26434993FURLXM4516

DATE: 22.05.2026
PLACE: Raipur (C.G.)

Annexure "B"

to the Independent Auditor's Report*

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SARTHAK METALS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every 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 program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deeds/transfer deeds/conveyance deeds provided to us, we report that immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
 - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate from banks or financial institutions on the basis of security of current assets and Monthly/Quarterly Returns filed are in agreement with Books of Accounts of the Company.
- iii. The Company has made investments & has provided Loans to Companies during the year, in respect of which:
 - (a) The Company has provided loans or advances in the nature of loans.

Loans or advances has been given to associate company and the ₹ 1,400.00 Lacs is outstanding as at the Balance Sheet date.
 - (b) In our opinion, the investments made are prima facie, not prejudicial to the Company's interest.
 - (c) The Company has provided loans or advances in the nature of loans. The Company has received Interest of ₹ 81.50 Lacs on the said advance during the year..
 - (d) The Company has provided loans or advances in the nature of loans. There is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) The Company has granted loans or advances in the nature of loans repayable on demand to related parties.
 - (f) The Company has granted Loans or Advances in the nature of Loans repayable on Demand.
- iv. The Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Income Tax and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Income Tax and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

- (b) However, according to information and explanations given to us, the following dues of have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Income Tax	10,15,610/-	2017-18	Commissioner Appeals
Income Tax	Income Tax	19,19,790/-	2014-15	Commissioner Appeals
Provident Fund	Provident Fund	22,53,971/-	2021-22	Central Government Industrial Tribunal
GST	GST	4,97,77,029/-	2021-22	Commissioner Appeals
Income Tax	Income Tax	4,68,19,650/-	2014-15	Commissioner Appeals

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- ix. (a) The Company has not defaulted in repayment of any loans or other borrowings from any lender or in the Payment of Interest thereon to any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

- (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) The Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

- (c) No whistle blower complaints have been received by the Company during the year.

- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

- (e) The Company is not having any Subsidiary and hence, reporting under clause 3(ix)(e) of the Order is not applicable for the year.

- xiii. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (f) The Company is not having any Subsidiary, joint venture or associate company and hence reporting on clause 3(ix)(f) of the Order is not applicable for the year.

- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and

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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-Section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For, Begani & Begani

Chartered Accountants
(FRN: 010779 C)

Sd/-

(Sankalp Sohaney)

Partner

M.No.: 434993

UDIN: 26434993FURLXM4516

DATE: 22.05.2026

PLACE: Raipur (C.G.)

Balance Sheet

As at 31st March, 2026

(₹ In Lakhs, unless otherwise stated)

Particulars	Note	As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2A	1,726.76	1,940.16
Capital work-in-progress	2B	47.41	33.08
Intangible Assets	3	-	-
Financial Assets			
Non Current Investments	4	241.42	34.74
Other Financial Assets	5	1,455.56	19.76
Total Non current assets		3,471.15	2,027.75
Current Assets			
Inventories	6	3,924.29	2,742.11
Financial Assets			
Trade Receivables	7	5,685.35	4,246.30
Cash and Cash Equivalents	8	7.17	237.19
Other Balances with Banks	9	2.86	2,679.23
Other Current Assets	10	610.54	511.04
Total Current Assets		10,230.22	10,415.88
Total Assets		13,701.36	12,443.63
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11	1,368.98	1,368.98
Other Equity	12	11,058.80	10,652.28
Total Equity		12,427.77	12,021.25
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Provisions	13	128.52	126.10
Deferred Tax Liabilities (Net)	14	34.61	26.40
Total Non Current Liabilities		163.13	152.50
Current Liabilities			
Financial liabilities			
Trade Payables	15	659.92	-
Total outstanding dues of micro enterprises and small enterprises		-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	157.40	98.89
Other Current Liabilities	17	105.41	30.22
Provisions	18	124.60	115.37
Current Tax Liabilities (Net)	19	63.13	25.40
Total Current Liabilities		1,110.47	269.88
Total Liabilities		1,273.59	422.38
Total Equity and Liabilities		13,701.36	12,443.63
See accompanying notes to the financial statements			
	1 2A-37		

As per our report of even date attached

For, **BEGANI & BEGANI**
Chartered Accountants
(Frn: 010779C)

Sd/-
(Sankalp Sohaney)
Partner
M.No.: 434993

Place: Raipur (C.G.)
Date: 22.05.2026
UDIN: 26434993FURLXM4516

Sd/-
(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

Sd/-
(Narendra Dewangan)
Chief Financial Officer
PAN: AIFPD4143A

Sd/-
(Mayur Bhatt)
Whole Time Director and CEO
DIN: 07586457

Sd/-
(Pratik Jain)
Company Secretary
PAN: AUMPJ3071G

Statement of Profit and Loss

For the year ended 31st March, 2026

(₹ In Lakhs, unless otherwise stated)

Particulars	Note	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Revenue from Operations	20	19,225.14	17,842.01
Other Income	21	204.97	270.43
Total Income (I)		19,430.11	18,112.43
EXPENSES			
Purchase of Stock-in-trade		295.25	-
Cost of Materials Consumed	22	15,073.48	14,765.25
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	23	-68.52	13.67
Employee Benefits Expense	24	1,482.41	1,128.41
Finance Costs	25	49.44	63.62
Depreciation and Amortisation Expense	2 & 3	290.98	275.14
Other Expenses	26	1,652.39	1,238.24
Total Expenses (II)		18,775.44	17,484.33
Profit Before exceptional and extraordinary items and tax (I-II)		654.67	628.11
Exceptional items			-
Profit Before tax (I-II)		654.67	628.11
Tax Expense			
(1) Current Tax		200.00	184.00
(2) Deferred Tax		2.42	6.15
(3) Current taxes relating to earlier years		-8.82	25.98
Profit for the period		461.07	411.98
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		18.57	0.69
- Income tax (expense)/benefit related to items that will not be reclassified to Profit and loss		4.67	0.17
Total Other comprehensive income (Net of Tax)		13.90	0.52
Total Comprehensive income for the Year		474.97	412.50
Earnings per Equity Share of ₹100 Each	33		
Basic (in ₹)		3.37	3.01
Diluted (in ₹)		3.37	3.01
Significant accounting policies and Key accounting estimates and judgements	1 2A-37		

As per our report of even date attached

For, BEGANI & BEGANI

Chartered Accountants
(Fnn: 010779C)

Sd/-

(Sankalp Sohaney)

Partner

M.No.: 434993

Sd/-

(Anoop Kumar Bansal)

Managing Director

DIN: 01661844

Sd/-

(Mayur Bhatt)

Whole Time Director and CEO

DIN: 07586457

Sd/-

(Narendra Dewangan)

Chief Financial Officer

PAN: AIFPD4143A

Sd/-

(Pratik Jain)

Company Secretary

PAN: AUMPJ3071G

Place: Raipur (C.G.)

Date: 22.05.2026

UDIN: 26434993FURLXM4516

Statement of Cash flow

For the year ended 31st March, 2026

(₹ In Lakhs, unless otherwise stated)

Particulars	Year Ended 31 st March, 2026	Year Ended 31 st March, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit & Loss Account	654.67	628.11
Adjustment for:		
Depreciation	290.98	275.14
Interest (Net)	-116.93	-144.40
Provision for Employee Benefits	19.68	0.69
Provision Expected Credit Loss	4.39	3.12
Loss/(Profit) on sale of fixed assets	-	-1.71
Loss/(Profit) on Fair valuation of Investments	59.90	1.76
	258.03	134.61
Operating Profit before Working Capital changes	912.70	762.71
Adjustment for:		
Decrease/(Increase) in Inventories	-1,182.18	-738.77
Decrease/(Increase) in trade receivables	-1,439.05	-275.08
Decrease/(Increase) in other current assets	-103.89	392.66
Decrease/(Increase) in other financial assets	-1,435.80	17.23
Increase/(Decrease) in provisions	49.38	-16.88
Increase/(Decrease) in trade payables	58.51	85.88
Increase/(Decrease) in current liabilities	75.19	-37.34
	-3,977.84	-572.29
Cash generated from Operations	-3,065.14	190.42
Direct Taxes (Net)	-191.18	-209.98
Net Cash from Operating Activities	-3,256.32	-19.55
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Investment in Fixed Assets including Capital WIP	-91.91	-716.55
Proceeds from sale/Subsidy of fixed assets	-	1.90
Investment in Shares and Mutual Funds	-266.57	-36.50
Interest Received	144.20	184.05
Net Cash used in Investing Activities	-214.28	-567.10
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceed From Long Term Borrowing		
Other Short Term Borrowings	659.92	-
Interest Paid	-27.27	-39.65
Dividend Paid	-68.45	-
Net Cash from financing Activities	564.21	-39.65
Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	-2,906.40	-626.31
CASH AND CASH EQUIVALENTS AS AT 01/04/2025 (as per Note-'13')	2,916.43	3,542.73
CASH AND CASH EQUIVALENTS AS AT 31/03/2026 (as per Note-'13')	10.03	2,916.43
Increase/(decrease) in Cash and Cash equivalents	-2,906.40	-626.31

Notes:

The above cash flow statement has been prepared by using indirect method as per Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

As per our report of even date attached

For, BEGANI & BEGANI
Chartered Accountants
(Frn: 010779C)

Sd/-
(Sankalp Sohaney)
Partner
M.No.: 434993

Place: Raipur (C.G.)
Date: 22.05.2026
UDIN: 26434993FURLXM4516

Sd/-
(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

Sd/-
(Narendra Dewangan)
Chief Financial Officer
PAN: AIFPD4143A

Sd/-
(Mayur Bhatt)
Whole Time Director and CEO
DIN: 07586457

Sd/-
(Pratik Jain)
Company Secretary
PAN: AUMPJ3071G

Statement of Changes In Equity

For the year ended 31st March, 2026

(₹ In Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
As at 31st March, 2024	136.90	136.90
Changes in equity share capital during the year	-	-
As at 31st March, 2025	136.90	1,368.98
Changes in equity share capital during the year	-	-
As at 31st March, 2026	136.90	1,368.98

B. OTHER EQUITY

Particulars	Reserves and Surplus		Remeasurement of net defined benefit plan through OCI	Total
	Securities Premium Reserves	Retained Earnings		
Balance as on 31st March, 2024	433.91	9,809.47	-3.60	10,239.78
Profit/(loss) for the year	-	411.98	-	411.98
Other Comprehensive Income/(loss)	-	-	0.52	0.52
Total Comprehensive Income for the year	433.91	10,221.45	-3.08	10,652.28
Dividends paid (incl. dividend distribution tax)	-	-	-	-
Transfer to General Reserves	-	-	-	-
Balance as on 31st March, 2025	433.91	10,221.45	-3.08	10,652.28
Profit/(loss) for the year	-	461.07	-	461.07
Other Comprehensive Income/(loss)	-	-	13.90	13.90
Total Comprehensive Income for the year	433.91	10,682.52	10.82	11,127.24
Dividends paid (incl. dividend distribution tax)	-	-68.45	-	-68.45
Transfer to General Reserves	-	-	-	-
Balance as on 31st March, 2026	433.91	10,614.07	10.82	11,058.80

Significant Accounting Policies and Explanatory Notes to Financial Statements

COMPANY PROFILE

Sarthak Metals Limited (hereinafter referred to as 'the Company') is a public company domiciled in India. Earlier the Company was known as Sarthak Metals Marketing Private Limited. Its shares are listed on BSE and NSE Stock Exchange. The company is engaged in the manufacturing and selling cored wires ferro alloys aluminium wire and related items.

1.1 Basis of Preparation

The financial statements of the Company are based on the principle of historical cost except for certain financial assets and liabilities and defined benefit plan that are measured at fair value, and are drawn up to comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

1.2 Use of Estimates and Judgments

In preparing the Financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations.

The estimates and judgments used in the preparation of the Financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

1.3 Material accounting policy information

(a) Property, Plant & Equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Depreciation and Amortisation:

Depreciation on each part of an item of property, plant and equipment is provided using the Written Down Value Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the period of the lease.

The Estimated useful lives of the assets are as follows:

Asset Class	Useful Life taken
Factory Building	30 and 60 years
Plant & Machinery	5 to 15 years
Furniture & Fixtures	10 years
Vehicles	8 to 10 years
Office Equipments	5 years
Computers	3 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(b) Intangible Assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

The Company had elected to consider the carrying value of all its intangible assets appearing in the financial statements prepare in accordance with Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on 1st April, 2020.

Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Asset Class	Useful Life
Computer Software	6 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

Export Incentive:

Income from Export Incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(d) Other Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(e) Inventories

Raw materials components stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials components and stores and spares is determined on FIFO basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials. Cost of finished goods includes GST. Cost is determined on FIFO basis.

Traded goods are valued at estimated cost based on the selling price of the stock based on the past practice.

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

(f) Financial Instruments

(i) Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at:

amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method.

fair value through profit and loss (FVTPL)

Assets shall be measured at FVPL unless it is measured at amortised cost or at FVOCI. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in Other Income.

fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The movements in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to the

Statement of Profit and Loss and recognised in other gains/(losses). Interest income from these financial assets is included in Other Income using the effective interest rate method.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Derecognition

Financial assets are derecognised when contractual rights to receive cash flows from the financial assets expire or the financial assets are transferred together with all material risks and benefits.

(ii) Financial Liabilities

Financial liabilities are initially recognised at fair value if the Company has a contractual obligation to transfer cash or other financial assets to another party. Borrowings and payables are recognised net of directly attributable transaction costs. In subsequent periods, such liabilities are measured at amortised cost using the effective interest method.

Derecognition

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled, or has expired.

(g) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The Company applies Expected Credit Loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost. The Company follows 'simplified approach' permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss on trade receivables and lease receivables based on expected lifetime losses at each reporting date right from its initial recognition. If the reasons for previously recognised impairment losses no longer apply, the impairment losses are reversed provided that this does not cause the carrying amounts to exceed the amortised cost of acquisition.

(h) Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a

valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted prices in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

(i) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(j) Investments

Financial assets are recognised and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Company recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity. All financial assets are recognised initially at fair value plus, in the case of

financial assets not recorded at fair value through profit or loss (FVPL), transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVPL. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investment in Equity Instruments are classified as FVPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investment in equity instruments which are not held for trading.

(k) Foreign Currency Transactions

The Financial statements are presented in Indian Rupee, which is the Company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/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 recognised in the Statement of Profit and Loss.

Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(l) Income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current Tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Financial statements unless an inflow of economic benefits is probable.

(n) Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(o) Provision for Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting

the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

i) Provident fund scheme:

The Company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

ii) Gratuity scheme:

The Company has a Defined Benefit Plan namely Gratuity covering its employees. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however,

the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

(p) Lease accounting

Assets taken on lease:

The Company mainly has lease arrangements for offices.

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straightline method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonable certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

(q) Impairment of Non-financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets/cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

(r) Segment reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

(s) Dividends Payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(t) Earnings Per Share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(u) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(w) Rounding of Amounts

All amounts disclosed in the Financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

(x) Recent Accounting Pronouncements

a. New and Amended Standards Adopted by the Company:

The Company has applied the following amendments for the first time for their annual reporting period commencing 1st April, 2023:

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment do not have any material impact on the Company's financial statements and disclosures.

Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The above 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.

b. New Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and Amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1st April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in Financial Statements.

(y) Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(i) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from

changes or improvements in production or from a change in market demand of the product or service output of the asset.

(iii) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(v) Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

2A. PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Freehold Land	Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount								
Balance as at 31 st March, 2024	222.38	783.34	1,446.87	28.48	271.38	31.69	44.85	2,829.00
Additions during the year	-	58.97	637.92	0.30	-	2.45	1.55	701.20
Disposals/Reclassifications during the year	-	-	-	-	9.19	-	-	9.19
Balance as at 31 st March, 2025	222.38	842.32	2,084.80	28.78	262.19	34.14	46.40	3,521.00
Additions during the year	-	-	30.26	-	43.31	2.93	1.08	77.58
Disposals/Reclassifications during the year	-	-	-	-	-	-	-	-
Balance as at 31 st March, 2026	222.38	842.32	2,115.05	28.78	305.50	37.07	47.48	3,598.58
Accumulated Depreciation								
Balance as at 31 st March, 2024	-	328.35	701.49	23.85	193.11	27.16	41.94	1,315.91
Depreciation expense for the year	-	44.49	199.36	1.23	24.10	2.53	2.24	273.93
Eliminated on disposal of asset/reclassifications	-	-	-	-	9.00	-	-	9.00
Balance as at 31 st March, 2025	-	372.83	900.85	25.08	208.21	29.69	44.18	1,580.84
Depreciation expense for the year	-	42.83	220.25	0.96	24.26	2.39	0.29	290.98
Eliminated on disposal of asset/reclassifications	-	-	-	-	-	-	-	-
Balance as at 31 st March, 2026	-	415.66	1,121.10	26.04	232.47	32.08	44.47	1,871.82
Net Carrying amount								
Balance as at 31 st March, 2024	222.38	455.00	745.38	4.63	78.27	4.53	2.91	1,513.09
Balance as at 31 st March, 2025	222.38	469.49	1,183.95	3.70	53.98	4.45	2.22	1,940.16
Balance as at 31 st March, 2026	222.38	426.66	993.95	2.75	73.03	4.99	3.01	1,726.76

2B.

Capital work-in-progress	Plant & Machinery	Building	31 st March, 2026	As at	Amount in CWIP for a Period of			
					Less than 1 year	1-2 years	2-3 Years	More than 3 years
Projects in Progress	47.41	-	47.41	47.41	47.41	-	-	-
Balance as at 31 st March, 2026	47.41	-	47.41	47.41	47.41	-	-	47.41

Capital work-in-progress	Plant & Machinery	Building	31 st March, 2025	As at	Amount in CWIP for a Period of			
					Less than 1 year	1-2 years	2-3 Years	More than 3 years
Projects in Progress	33.08	-	33.08	33.08	33.08	-	-	-
Balance as at 31 st March, 2025	33.08	-	33.08	33.08	33.08	-	-	33.08

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

3.

Intangible Assets	Software	Total
Gross Carrying Amount		
Balance as at 31 st March, 2025	39.84	39.84
Additions during the year	-	-
Deductions during the year	-	-
Balance as at 31st March, 2026	39.84	39.84
Accumulated amortization		
Balance as at 31 st March, 2025	39.84	39.84
Amortization expense for the year	-	-
Deductions for the year	-	-
Balance as at 31st March, 2026	39.84	39.84
Net Carrying amount		
Balance as at 31 st March, 2025	-	-
Balance as at 31st March, 2026	-	-

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition to Ind AS i.e. 1st April, 2020.

4. INVESTMENTS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Investment in Equity Instruments		
(Fair value through Profit & Loss)		
Quoted	241.42	34.74
Details as below		
Total	241.42	34.74

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Jio Financial Services	35.86	-
JSW Infrastructure	28.90	-
Suzlon Energy	39.56	-
Total	104.31	-

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
HDFC Small Cap	18.58	4.63
HSBC Large and Mid Cap	28.72	6.63
IPru Bharat 22 FoF	12.79	2.94
Motilal Oswal Mid Cap	-	-
Invesco India Mid Cap Fund Growth	4.16	-
Motilal Oswal Midcap	22.71	7.05
Motilal Oswal Nifty Microcap 250 Index Fund	21.23	6.85
Nipp Ind Multi Cap Fund	11.36	2.88

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

4. INVESTMENTS (Contd.)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Nipp Ind Multi Cap Fund	0.07	-
Nipp Ind Multi Cap Fund	0.07	-
Nipp Ind Multi Cap Fund	0.07	-
Nipp Ind Multi Cap Fund	0.07	-
Nipp Ind Multi Cap Fund	0.07	-
Nipp Ind Multi Cap Fund	0.07	-
Nipp Ind Silver ETF fund	2.91	-
Nipp Ind Small Cap Fund	14.65	3.77
Total	137.51	34.74
Aggregate cost of Quoted investments	-	-
Aggregate amount of impairment in value of investments.	-	-

5. OTHER FINANCIAL ASSETS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured and Considered Good		
Loans and Advances given to related party	1,400.00	-
Sundry Deposits	55.56	19.76
Total	1,455.56	19.76

6. INVENTORIES

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Raw Materials	3,364.64	2,244.43
Finished Goods	486.12	417.60
Stores, Spares and Consumables	73.53	80.08
Total	3,924.29	2,742.11

7. TRADE RECEIVABLES

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unsecured:		
Considered good	5,713.92	4,267.64
Considered doubtful	-	-
	5,713.92	4,267.64
Less: Allowance for Expected Credit Loss	-28.57	-21.34
Total	5,685.35	4,246.30

Ageing of account receivables at Gross Level: Undisputed* Trade recievables-considered good

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Not yet due		
0-6 months	5,555.97	4,041.59
6 Months to 1 Year	147.90	31.80

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

Ageing of account receivables at Gross Level: Undisputed* Trade receivables-considered good (Contd.)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
1-2 Year	5.62	88.54
2-3 Year	3.60	56.03
More than 3 Years	0.82	49.68
Less: Allowance for Expected Credit Loss	-28.57	-21.34
Total	5,685.35	4,246.30

*There are no disputed trade receivables.

8. CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Cash and Cash Equivalents		
Cash on hand	3.89	4.16
Balances with Banks		
In Current Accounts	3.28	233.03
Total	7.17	237.19

9. OTHER BALANCES WITH BANKS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Unpaid Dividend Account	2.86	3.41
Term Deposits	-	2,675.82
Total	2.86	2,679.23

*Margin money deposits as at 31st March, 2026 is NIL as no LC/BG is Outstanding as at Balance sheet date(₹ 64,62,903/- as at 31st March, 2025) are subject to first charge to secure the Company's Line of Credit Buyers' Credit and Bank Guarantees.

10. OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balance with Government Authorities	294.49	292.05
Income Tax Receivable For Earlier Year	22.33	31.40
Prepaid Expenses	10.47	12.78
Others		
Other Receivable		
Advances to Employees	2.44	1.60
Research And Development (For New Product)	11.32	11.32
Advances to Suppliers	269.49	161.89
Total	610.54	511.04

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

11. EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Authorised:		
1,50,00,000 Equity Shares of ₹ 10 each	1,500.00	1,500.00
	1,500.00	1,500.00
Issued, Subscribed and Paid up:		
1,36,89,750 Equity Shares of ₹ 10 Each Fully Paid up.	1,368.98	1,368.98
	1,368.98	1,368.98

a) Reconciliation of number of shares:

Equity Shares	As at 31 st March, 2026		As at 31 st March, 2025	
	Number	(₹)	Number	(₹)
Shares outstanding at the beginning of the year	136.90	1,368.98	136.90	1,368.98
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	136.90	1,368.98	136.90	1,368.98

b) Details of shareholders holding more than 5% of shares:

Name of Shareholders	As at 31 st March, 2026		As at 31 st March, 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 10 each held by:				
1. Manoj Kumar Bansal	37.83	27.63%	37.83	27.63%
2. Anoop Kumar Bansal	11.45	8.37%	11.45	8.37%
3. Sanjay C Shah	10.89	7.96%	8.64	6.31%
4. Kishore Kumar Bansal	7.41	5.41%	7.41	5.41%

As per the records of the Company, including its registers of Shareholders/Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Details of shareholding of promoters:

Name of Shareholders	As at 31 st March, 2026		As at 31 st March, 2025		
	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% Change in Holding
Equity Shares of ₹ 10 each held by:					
1. Manoj Kumar Bansal	27.63%	37.83	27.63%	37.83	-
2. Anoop Kumar Bansal	8.37%	11.45	8.37%	11.45	-
3. Sanjay C Shah	7.96%	10.89	6.31%	8.64	1.65%
4. Kishore Kumar Bansal	5.41%	7.41	5.41%	7.41	-

d) Rights, preferences and restrictions:

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. the distribution will be in proportion to the no. of equity shares held by shareholder.

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/year end.

f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

12. OTHER EQUITY

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Securities Premium Reserve	433.91	433.91
Retained Earnings		
As per last Balance Sheet	10,218.37	9,805.87
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	474.97	412.50
Less: Other Comprehensive income (net of tax)	-	-
Less: Appropriations	68.45	-
Dividend distributed during the year	-	-
Closing Balance	10,624.89	10,218.37
Total	11,058.80	10,652.28

No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

Proposed dividend

On 25th July, 2025, the Board of Directors declared a Final dividend of ₹ 0.50 (5%) per equity share (face value of ₹ 10 per equity share) for the financial year 24-25 and which has been has been paid on 05th August, 2025.

13. PROVISIONS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for Employee Benefits		
Provision for Gratuity	128.52	126.10
Total	128.52	126.10

14. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Deferred Tax Liabilities		
Arising on account of:		
Provision for Employee Defined Benefit obligations	37.53	35.65
Deferred Tax Assets		
Arising on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	4.57	-3.66
Fair valuation of Investments	-7.49	-0.22
Allowances for Doubtful debt and Advances	-1.11	-5.37
Less: Adjustment of opening balance of previous Qtr. Of Defferred Tax on Provison for Employee Defined Benefit obligation	1.11	-
Total	34.61	26.40

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

15. FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Short term Liabilities		-
(a) Outstanding Balances of CC A/C	659.92	-
Total	659.92	-

*Cash Credit Account with SBI Bank is secured by hypothecation of Stock, book debts and Plant and Machinery in the name of Sarthak Metals Ltd, Personal Guarantee of directors.

16. TRADE PAYABLES

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Dues to MSME	-	-
(b) Dues to Other than MSME	157.40	98.89
Total	157.40	98.89

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	-	-
Interest	-	-
Total	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(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 the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

Ageing of trade payables at Gross Level:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
0-1 Year	157.40	97.80
1-2 Year	-	-
2-3 Year	-	-
More than 3 Years	-	1.09
Total	157.40	98.89

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

17. OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance from Customers	84.56	7.69
Others	-	-
Statutory Liabilities	17.99	19.17
Unpaid Dividend	2.86	3.36
Total	105.41	30.22

18. PROVISIONS

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for Employee Benefits		
Provision for Gratuity	20.58	15.56
Provision for Salary, Bonus & Leave Salary	104.02	99.82
Total	124.60	115.37

19. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Tax Payable (Net of Advance Tax & TDS)	63.13	25.40
Total	63.13	25.40

20. REVENUE FROM OPERATIONS

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
(i) Sales of products		
Home Market (Net of Returns)	14,900.31	14,351.27
Exports	3,310.49	3,135.45
Traded Goods	300.14	-
(ii) Sales of Service	617.18	243.46
	19,128.11	17,730.18
Less: Discounts	-	-
	19,128.11	17,730.18
(ii) Other Operating Revenues		
Sale of Scrap	63.26	77.68
Export Incentives	33.77	34.14
Total	19,225.14	17,842.01

Disaggregation of Revenue:

Management conclude that disaggregation of revenue disclosed above meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Revenue as per contracted price	19,128.11	17,730.18
Less: Discounts	-	-
Revenue from contract with customers	19,128.11	17,730.18

21. OTHER INCOME

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Interest Income from financial assets at amortised cost		
On bank deposits	61.99	182.99
Other Interest	82.21	1.06
Other non-operating Income (Net of expenses directly attributable to such income)		
Insurance Claim	-	22.13
Provision for Doubtful Debts no longer required	-	-
Miscellaneous income		
Other gains and losses		
Net Gain on foreign currency transactions & translation	60.78	62.54
Fair Value gain arising from Financial instruments	-	-
Profit on Sale of Property, Plant & Equipment	-	1.71
Total	204.97	270.43

22. COST OF MATERIALS CONSUMED

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Raw materials		
Opening stock	2,244.43	1,521.84
Add: Purchases of Raw Material	16,652.20	15,487.83
	18,896.63	17,009.67
Sales	458.50	-
Less: Closing stock	3,364.64	2,244.43
TOTAL	15,073.48	14,765.25

23. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
(a) Inventories at the beginning of the year		
Finished Goods	417.60	431.27
	417.60	431.27
(b) Inventories at the end of the year		
Finished goods	486.12	417.60
	486.12	417.60
Net (Increase)/Decrease in Inventories (a) - (b)	-68.52	13.67

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

24. EMPLOYEE BENEFITS EXPENSE

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Salaries, wages and benefits	1,393.49	1,048.20
Contribution to provident and other funds	65.78	57.16
Staff welfare expenses	23.14	23.05
Total	1,482.41	1,128.41

25. FINANCE COSTS

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Interest expense		
- Cash credit facilities/Letter of credit and buyer's credit	25.68	37.99
- Term Loans from Banks	-	-
- On Other Loans	-	-
- Others	1.59	1.66
Other Borrowing Costs	22.18	23.96
Total	49.44	63.62

2 & 3. Depreciation and Amortisation Expense

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Depreciation on Property, Plant & equipment & Right of Use and Amortisation of Intangible Assets	290.98	275.14
Total	290.98	275.14

26. OTHER EXPENSES

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Consumption of Stock, Stores, Spares, Oil & Lubricant	426.55	328.84
Power and Fuel	99.94	46.47
Security Charges	12.08	12.33
Freight and handling Charges	462.36	424.13
Brokerage and Commission	20.11	11.06
Advertisement and Sales Promotion Expenses	13.44	27.60
Legal and Professional expenses	41.82	49.47
Travelling & Conveyance		
- Domestic Travel	91.95	62.63
- Foreign Travel	3.37	8.24
Rent Expenses	26.73	13.88
Repairs & Maintenance		
- Others	32.30	20.01
- Machinery	46.95	82.07
Rates, Fees and Taxes	2.18	0.99
Testing and Sampling Charges	24.44	13.60
Insurance	23.22	20.97
Printing, Stationery and Communication Expenses	13.24	13.31
Calcium management expenses	126.26	-

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

26. OTHER EXPENSES (Contd.)

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Corporate Social Responsibility Expenses and Other Donations*	43.39	63.30
Payment to Auditors		
- Statutory Audit Fees	3.50	3.50
- In other Capacity	1.50	1.50
Cost Auditor/Internal Auditor Fees	1.60	0.38
For other matters	-	-
Provision for Doubtful Debts	7.23	1.37
Sundry Balances Written Off	51.66	11.36
Loss on Fair valuation of Investments	59.90	1.76
Miscellaneous Expenses	16.65	19.50
Total	1,652.39	1,238.24

*Note: Corporate Social Responsibility Expenses.

A

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Gross Amount Required to be spent by the Company:	43.12	62.94

B

Amount spent during the year/period on:	Period ended 31 st March, 2026	Period ended 31 st March, 2025
i Construction/Acquisition of ant assets	-	-
ii Purpose other than above	43.39	63.30

C

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Related party transactions in relation to Corporate Social Responsibility:	-	-

D

Provision movement during the year/Period:	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Opening provision	-1.18	-0.82
Addition during the year/Period	42.95	62.94
Utilised during the year/Period	43.39	63.30
Closing provision	-1.62	-1.18

27. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts	As at 31 st March, 2026	As at 31 st March, 2025
Demand Raised by Income Tax Deptt. (A.Y. 18-19) (Appeal Pending before CIT)	10.16	10.16
Demand Raised by Income Tax Deptt. (A.Y. 15-16) (Appeal Pending before CIT)	19.20	19.20

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

27. CONTINGENT LIABILITIES (Contd.)

Claims against the Company not acknowledged as debts	As at 31 st March, 2026	As at 31 st March, 2025
Assistant Provident Fund Organisatier Regional Office. (Pending Before Central Government Industrial Tribunal, Jabalpur)	22.54	22.54
Demand Raised by Jr. Commissioner State Tax. (F.Y. 21-22) (Pending before appealate authority)	497.77	-
Demand Raised by Income Tax Deptt. (A.Y. 15-16) (Appeal Pending before CIT)	468.20	-

28. ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

See accounting policy in Note 1.(o)

For details about the related employee benefit expenses, see Note 28

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

Claims against the Company not acknowledged as debts	As at 31 st March, 2026	As at 31 st March, 2025
Provident Fund and other Funds	65.78	57.16
Total (included in Note 28 - 'Contribution to provident and other funds')	65.78	57.16

B. Defined Benefit Obligation:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1,972/Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1,972/Company policy multiplied for the number of years of service.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity	
	31-Mar-2026	31-Mar-2025
Principal actuarial assumptions		
Discount rate	7.70%	6.93%
Range of compensation increase	10.00%	10.00%
Withdrawal Rate:		
- Younger ages	5.00%	5.00%
- Older ages	2.00%	2.00%

Actuarial study analysis	Gratuity	
	31-Mar-2026	31-Mar-2025
Components of income statement charge		
Current service cost	17.31	17.76
Interest cost	9.82	8.40
Recognition of past service cost		
Immediate recognition of (gain)/losses	27.13	26.16
Settlement/curtailment/termination loss	-	-

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

B. Defined Benefit Obligation: (Contd.)

Actuarial study analysis	Gratuity	
	31-Mar-2026	31-Mar-2025
Total charged to statement of profit or loss	27.13	26.16
Total charged to Retained Earnings	-	-
Movements in net liability/(asset)		
Net liability at the beginning of the year	141.65	116.18
Employer contributions		
Total expense recognised in the statement of profit or loss	27.13	26.16
Total amount recognised in OCI	19.68	0.69
Net liability at the end of the year	149.10	141.65
Reconciliation of benefit obligations		
Obligation at start of the year	141.65	116.18
Current service cost	17.31	17.76
Net Interest cost	9.82	8.40
Benefits paid directly by the Group	19.68	0.69
Defined benefits obligations at the end of the year	149.10	141.65
Re-measurements of defined benefit plans		
Actuarial gain/(loss) due to changes in demographic assumptions	-	-
Actuarial gain/(loss) due to changes in financial assumptions	-13.31	4.88
Actuarial gain/(loss) on account of experience adjustments	-6.37	-5.57
Total actuarial gain/(loss) recognised in OCI	-19.68	-0.69

C. Sensitivity analysis of significant assumptions:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	31-Mar-2026		31-Mar-2025	
	% increase in DBO	Liability	% increase in DBO	Liability
Discount rate				
+ 0.5% discount rate	-5.20%	141.34	-5.67%	133.62
- 0.5% discount rate	5.69%	157.59	6.23%	132.84
Salary increase				
+ 0.5% salary growth	4.75%	156.18	4.89%	148.58
- 0.5% salary growth	-4.40%	142.54	-4.68%	135.03

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

29. RELATED PARTY DISCLOSURES AS PER IND AS 24

1) Related parties with whom transactions have taken place during the year and its relationship:

Name of the related parties	Designation/Relationship
Shri Anoop Kumar Bansal	Key Management Personnel
Shri Manoj Kumar Bansal	Key Management Personnel
Shri Kishore Kumar Bansal	Key Management Personnel
Shri Sanjay C. Shah	Key Management Personnel
Shri Mayur Bhatt	Key Management Personnel
Shri Sunil Kumar Agarwal	Key Management Personnel
Shri Anirudh Singhal	Key Management Personnel
Sunil Dutt Bhatt	Key Management Personnel
Dwadasi Venkata Giri	Key Management Personnel
Rama Kohli	Key Management Personnel
Pratik Jain	Key Management Personnel
Shri Narendra Dewangan	Key Management Personnel
Shri Gaurav Agarwal	Relative Key Management Personnel
Shri Samarth Bansal	Relative Key Management Personnel
Shri Sarthak Bansal	Relative Key Management Personnel
Shri Sagar Shah	Relative Key Management Personnel
Shalini Shah	Relative Key Management Personnel
Jaya Bhatt	Relative Key Management Personnel
Saviour Leasing Pvt Ltd	Enterprises Over Which Significant Influence
Bansal Brothers (Trading Div.)	Enterprises Over Which Significant Influence
Bansal Brothers (Rasmada)	Enterprises Over Which Significant Infunece
Bansal Brothers (FAD)	Enterprises Over Which Significant Infunece

2) Transactions during the year:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Remuneration		
Shri Anoop Kumar Bansal	65.00	65.00
Shri Sanjay C. Shah	65.00	65.00
Shri Mayur Bhatt	13.00	13.00
President Salary		
Shri Manoj Kumar Bansal	65.00	65.00
Sitting Fees		
Shri Sunil Kumar Agarwal	0.60	0.60
Shri Dwadasi Venkata Giri	1.00	1.20
Shri Sunil Dutt Bhatt	1.00	1.20
Ms Rama Kohli	1.00	1.00
Loans and Advances Outstanding		
Saviour Leasing Pvt. Ltd.	1,400.00	-
Narendra Kumar Dewangan	1.22	-
Mr. Pratik Jain	2.00	-

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

2) Transactions during the year: (Contd.)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Interest Received		
Saviour Leasing Pvt. Ltd.	81.50	-
Sales		
Bansal Brothers (Trading Div.)	625.90	130.40
Bansal Brothers (FAD)	71.35	23.12
Bansal Brothers (Rasmada)	143.11	175.96
Purchase of Goods		
Bansal Brothers (FAD)	1,069.32	1,151.56
Bansal Brothers (Trading Div.)	27.47	35.13
Bansal Brothers (Rasmada)	220.63	224.94
Staff Salary		
Shri Gaurav Agarwal	39.00	39.00
Shri Anirudh Singhal	5.20	16.90
Shri Samarth Bansal	48.75	48.75
Shri Sarthak Bansal	48.75	48.75
Shri Sagar Shah	16.25	16.25
Shri Narendra Dewangan	10.53	9.48
Shalini Shah	7.20	7.20
Jaya Bhatt	7.80	7.80
Mr. Pratik Jain	6.87	6.18
Total	4,044.45	2,153.41

3) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off/written back, except what is stated above.

Related party relationship is as identified by the management and relied upon by the auditors.

30. SEGMENT REPORTING

The Managing Director & CEO, and Executive Director & CFO are identified as Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Cord Wire" as its operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statement as at and for the year ended 31st March, 2026.

Geographical Information:

a. Revenue from external customers	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Attributed to the Company's country of domicile, India	15,817.62	14,594.73
Attributed to all foreign countries	3,310.49	3,135.45
Total	19,128.11	17,730.18
b. Revenues from transactions with a customers exceeding 10% of the Company's sales in current as well as previous year.	2,247.55	6,636.98

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

Geographical Information: (Contd.)

c. Non-current assets (excluding Deferred/Current Tax and Financial Assets)	Year ended 31 st March, 2026	Year ended 31 st March, 2025
located in the Company's country of domicile, India	1,774.18	1,973.25
located in all foreign countries	-	-
Total	1,774.18	1,973.25

31. FINANCIAL INSTRUMENTS

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

A) Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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 following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Financial Assets and Liabilities

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

a. Financial Assets

Instruments carried at fair value

	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Instruments carried at amortized cost*	Total Fair Value	Total Carrying Value
As at 31st March, 2025						
(i) Investments	-	-	34.74	-	34.74	36.50
(ii) Other financial assets	-	-	-	19.39	19.39	19.39
(iii) Trade receivables	-	-	-	4,246.30	4,246.30	4,246.30
(iv) Cash and cash equivalents	-	-	-	237.19	237.19	237.19
(v) Other Balances with Banks	-	-	-	2,679.60	2,679.60	2,679.60
Total	-	-	34.74	7,182.49	7,217.23	7,218.99
As at 31st March, 2026						
(i) Investments	-	-	241.82	-	241.82	301.31
(ii) Other financial assets	-	-	-	1,455.56	1,455.56	1,455.56
(iii) Trade receivables	-	-	-	5,685.35	5,685.35	5,685.35
(iv) Cash and cash equivalents	-	-	-	7.17	7.17	7.17
(v) Other Balances with Banks	-	-	-	2.86	2.86	2.86
Total	-	-	241.82	7,150.94	7,392.76	7,452.25

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

b. Financial Liabilities

	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
As at 31st March, 2025				
(i) Trade Payables	-	98.89	98.89	98.89
Total	-	98.89	98.89	98.89
As at 31st March, 2026				
(i) Trade payables	-	157.40	157.40	157.40
Total	-	157.40	157.40	157.40

*The carrying value and fair value approximation, if any.

c. Fair value hierarchy

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

The categories used are as follows:

- **Level 1:** It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

As at 31 st March, 2025	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Units of Mutual Funds	34.74	-	-	34.74
As at 31st March, 2026				
Financial Assets at Fair Value				
Investments in Shares and Units of Mutual Funds	241.42	-	-	241.42

32. INCOME TAX

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
(i) Tax expense recognised in the statement of profit and loss		
Current Tax on profits for the year	200.00	184.00
Adjustments for current tax of prior periods	-8.82	25.98
Total Current Tax Expense	191.18	209.98
Deferred Tax charge/(credit) P&L	2.42	6.15
(Decrease) increase in deferred tax liabilities	-	-
Total Deferred Tax Expense	2.42	6.15
Income tax expense recognised in the statement of profit and loss	193.60	216.13

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

32. INCOME TAX (Contd.)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
(ii) Tax expense recognised in OCI		
Deferred Tax:		
Deferred Tax expense on Remeasurement of defined benefit plans	4.67	0.17
Income tax expense recognised in the statement of profit and loss	4.67	0.17
Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable to the Company (in %)	25.168%	25.168%
Profit/(Loss) before income tax expense	654.67	628.11
Current tax expense on Profit/(loss) before tax expenses at enacted income tax rate in India	164.77	158.08
Tax effects of:		
Tax effect on non-deductible expenses	10.92	15.93
Effect of Income which is taxed at special rates	15.08	0.01
Effect of difference in WDV of Assets	8.23	-0.48
Other items	3.43	16.60
Tax in respect of previous years	-8.82	25.98
Total	193.60	216.13
Income tax expense	193.60	216.13

Consequent to reconciliation items shown above, the effective tax rate is 32.99% (Previous year:34.41%).

The details of Income tax Assets/Liabilities are as follows:

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Income Tax Receivable For Earlier Year	22.33	31.40
Tax Payable (Net of Advance Tax & TDS)	63.13	25.40
Net Income Tax Payable/(Recivable) at the end of the year	40.80	-6.00

33. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit 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 attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	461.07	411.98

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

ii. Weighted average number of ordinary shares

Particulars	Period ended 31 st March, 2026	Period ended 31 st March, 2025
Equity shares outstanding as at year end	136.90	136.90
Weighted average number of shares as at year end for basic earnings per shares	136.90	136.90
Weighted average number of shares as at year end for diluted earnings per shares	136.90	136.90
Basic earnings per share	3.37	3.01
Diluted earnings per share	3.37	3.01

(*not annualised)

34. FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk.

(A) Credit risk

Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business.
- ii) Actual or expected significant changes in the operating results of the counterparty.
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days for the 31st March, 2026, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

Reconciliation of loss allowance - Trade Receivables

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance	21.34	19.97
Allowance/(Reversal) made during the year	7.23	1.37
Closing balance	28.57	21.34

The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company believes that the current value of trade receivables reflects the fair value/recoverable values.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at 31 st March, 2026			As at 31 st March, 2025		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Upto 1 year	More than 1 year		Upto 1 year	More than 1 year
Non-derivative financial liabilities						
Trade and Other Payables	157.40	157.40	-	98.89	98.89	-
Other Current Liabilities	105.41	105.41	-	30.22	30.22	-

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

(C) Market risk

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

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(i) Foreign Currency Risk

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar (USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Particulars	As at 31 st March, 2026			As at 31 st March, 2025		
	INR	AED (in Rupees)	USD (in Rupees)	INR	EURO (in Rupees)	USD (in Rupees)
Financial Assets						
Trade Receivables	4,929.64	39.19	919.11	3,756.40	-	511.24
Total	4,929.64	39.19	919.11	3,756.40	-	511.24
Financial Liabilities						
Trade payables	16.71	-	140.70	16.18	-	73.75
Total	16.71	-	140.70	16.18	-	73.75

The following significant exchange rates have been applied during the year:

Currency	Year-end Spot rate	
	31 st March, 2026	31 st March, 2025
USD	93.48	85.46
1AED	25.46	0

Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Particulars	Year ended 31 st March, 2026		Year ended 31 st March, 2025	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	1.95	-1.95	1.09	-1.09

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

(D) Cash flow and fair value interest rate risk

Interest rate risk management:

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

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long - term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

Interest rate risk exposure:

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Fixed-rate instruments		
Financial assets	1,455.56	19.76
Financial liabilities	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Total	1,455.56	19.76

Interest rate sensitivity

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

(i) Price Risk

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

35. CAPITAL MANAGEMENT

(a) Risk management

The Company's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

The gearing ratios were as follows:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Net debt (Total Debt - Cash & cash equivalent - Other Bank Balances - Current Investment)	649.89	-
Total equity	12,427.77	12021.25
Net debt to equity ratio	5.23%	0.00%

(PY: No debt as at March 31, 2025)

36.

The accounting ratios required derived from the Restated Financial Information under clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr. No.	Particulars	Note reference	31-Mar-26	31-Mar-25	% variance	Explanation for change in ratio for more than 25%
1	Current Ratio	a	9.21	38.60	-76.13%	The Reduction in Current Liabilities is significantly greater than the increase in Current assets
2	Debt – Equity Ratio	b	0.05	-	100.00%	Company has availed a cash credit Limit during the year
3	Debt Service Coverage Ratio	c	14.24	10.87	30.97%	The reduction in finance costs has been Greater than the Increase in profit.
4	Return on Equity (ROE):	d	3.77%	3.49%	8.17%	NA
5	Inventory Turnover (no. of days)	e	63.28	48.54	30.37%	Inventory has increased by 39% as compared to the Increase in Turnover/Sales
6	Trade receivables turnover ratio (no. of days)	f	94.28	84.09	12.12%	NA
7	Trade payables turnover ratio (no. of days)	g	3.02	1.35	123.04%	Trade Payables have Increased during the financial year
8	Net profit ratio	h	2.40%	2.31%	3.86%	NA
9	Net capital turnover ratio (No.of days)	i	182.89	207.74	-11.96%	NA
10	Return on capital employed (ROCE)	j	4.10%	5.74%	-28.65%	RoCE has declined due to greater increase in Capital Employed in proportion to the increase in Distributable Profits.
11	Return on investment (ROI)	K	3.71%	3.43%	8.25%	NA

Note:

- a **Current ratio (in times):** Current Assets/Current liabilities
- b **Debt - Equity ratio:** Total Debt divided by Equity
- c **Debt Service Coverage Ratio (DSCR) (no. of times):** Profit before interest, divided by Interest expense (net of moratorium interest, interest cost on unwinding (long term unsecured loans) and amortisation of transaction cost)
- d **ROE:** Net Profits after taxes – Preference Dividend (if any)/Average Shareholder's Equity
- e **Inventory Turnover:** Average Inventory/Sale of Products in days

Notes to Financial Statements

(All amounts in ₹ lakhs, unless otherwise stated)

- | | | | |
|---|---|-----|---|
| f | Trade Receivables turnover: Average Trade receivables/Turnover in Days | ii. | provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. |
| g | Trade Payable turnover = Average Trade Payables/ Cost of goods Purchased in days | f | The Company has not received any fund 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: |
| h | Net profit (in %): profit after tax/Revenue from operation | i. | 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 |
| i | Net capital turnover ratio = (Average working capital/ Turnover in days) | ii. | provide any guarantee, security or the like on behalf of the ultimate beneficiaries. |
| j | ROCE: Earning before interest and taxes/Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability) | | |

K **Return on investment (ROI):** PAT/Share Capital

37. OTHER STATUTORY INFORMATION

- | | | | |
|---|--|---|--|
| a | The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property. | g | The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961. |
| b | The Company does not have any transactions with companies which are struck off. | h | The Company is not declared willful defaulter by any bank or financial institution or lender during the year. |
| c | The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. | i | The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. |
| d | The Company has not traded or invested in crypto currency or virtual currency during the financial year. | j | The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at Balance sheet date. |
| e | 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 | | |
| | i. 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 | | |

38. Certain financial assets and financial liabilities are subject to formal confirmations and reconciliations, if any. The management, however, is confident that the impact whereof for the year on the financial statements will not be material.

39. Previous year figures have been re-grouped/re-classified wherever necessary to conform current years' classification.

As per our report of even date attached

For, BEGANI & BEGANI

Chartered Accountants
(Fnn: 010779C)

Sd/-
(Sankalp Sohaney)
Partner
M.No.: 434993

Place: Raipur (C.G.)
Date: 22.05.2026
UDIN: 26434993FURLXM4516

Sd/-
(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

Sd/-
(Narendra Dewangan)
Chief Financial Officer
PAN: AIFPD4143A

Sd/-
(Mayur Bhatt)
Whole Time Director and CEO
DIN: 07586457

Sd/-
(Pratik Jain)
Company Secretary
PAN: AUMPJ3071G

ATTENDANCE SLIP
31st Annual General Meeting

Name of the Company	:	Sarthak Metals Limited
Registered Address	:	Hotel Ashish International, G.E. Road, Bhilai Power House - 490011
CIN	:	L51102CT1995PLC009772
Email	:	info@sarthakmetls.com
Telephone	:	+91-9303773708
Website	:	www.sarthakmetals.com

Name (In Block Letters)	:	
Address	:	
Registered Folio No./DP ID Client ID No.	:	
Member/Proxy/Authorised Representative	:	
No. of Shares held	:	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the company.

I/we hereby record my/our presence at the 31st Annual General Meeting of the Company being held on Tuesday, 18th August, 2026 at 12:30 P.M. at Hotel Ashish International, G.E. Road, Bhilai Power House – 490011.

Signature of Member/Proxy/Authorised Representative

Note(s):

1. Please fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.
2. Only shareholders of the company and/or their Proxy will be allowed to attend the Meeting.

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L51102CT1995PLC009772
Name of the Company	:	Sarthak Metals Limited
Registered Office	:	Hotel Ashish International, G.E. Road, Bhilai Power House - 490011
Name of the Member(s)	:	
Registered Address	:	
Email ID	:	
Folio No. / Client ID	:	
DP ID	:	

I/ We, being the member (s) of **SARTHAK METALS LIMITED** holding _____ shares, hereby appoint:

(1)

Name	:	
Address	:	
Email ID	:	
Signature	:	

or failing him

(2)

Name	:	
Address	:	
Email ID	:	
Signature	:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 31st Annual General Meeting of members of the Company, to be held on Tuesday, 18th August, 2026 at the registered office of the Company, Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 at 12:30 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix
Revenue
Stamp

Sr. No.	Resolutions	For	Against
ORDINARY BUSINESS			
1.	Adoption of Audited Financial Statements		
2.	Appointment of a Director retiring by rotation		
SPECIAL BUSINESS			
3.	Appointment of Mrs. Ushasree Bhagavatula (DIN: 11480507) as Independent Women Director		
4.	To approve Material Related Party Transactions of the Company with M/s Bansal Brothers		
5.	Ratification of remuneration of Cost Auditor		

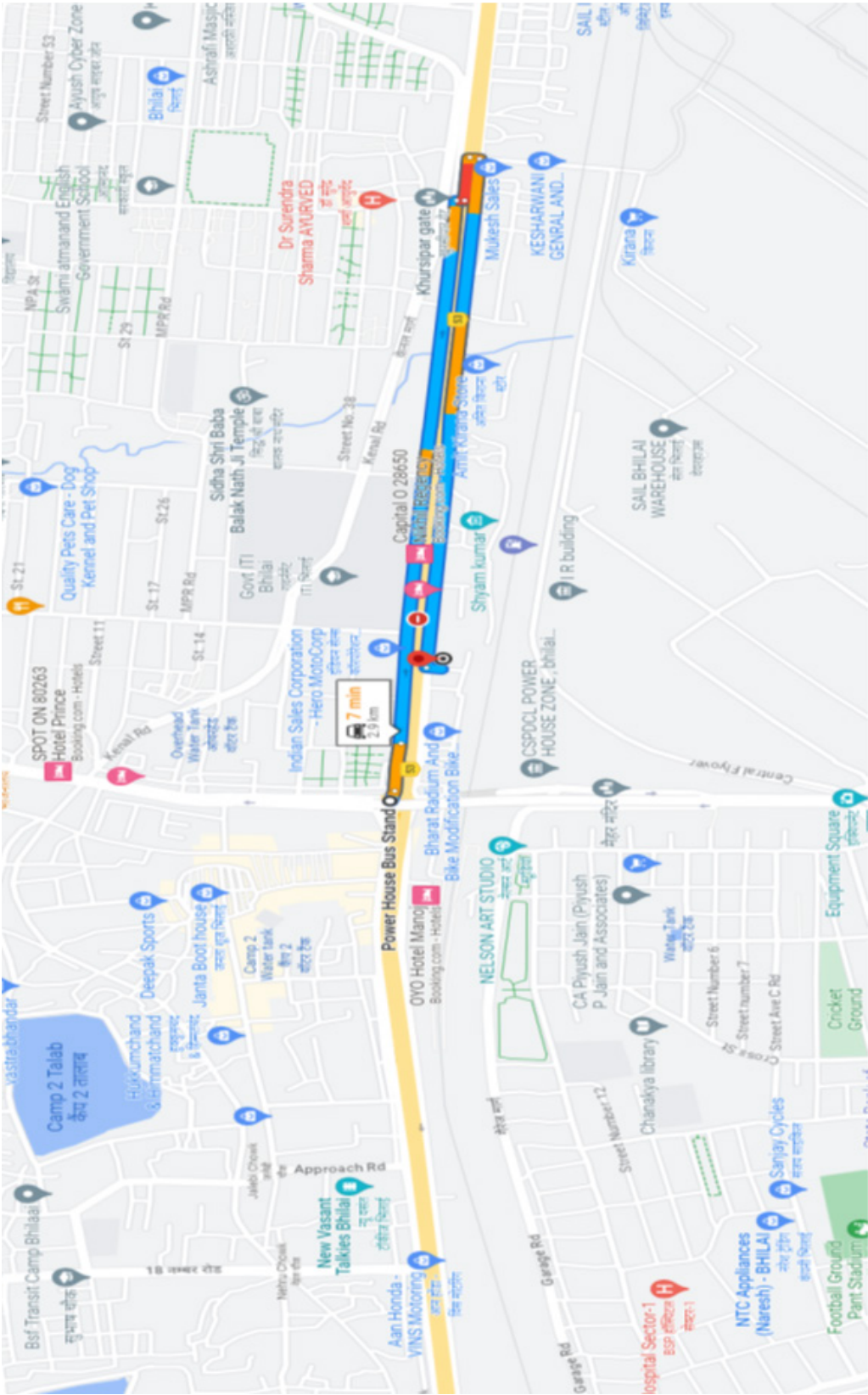
Signed this..... day of 2026.

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Map of Venue





SARTHAK METALS LIMITED

Registered Office Address

BBC Colony, G.E Road,
Khursipar, Near Bhilai ITI, Bhilai
Chhattisgarh - 490011, India
Tel: +91-9303773708