

Building blocks of **growth**



Earthstahl & Alloys Ltd

ANNUAL REPORT 2024-25

Corporate Information

Board of Directors

Mrs. Padma Somani	- <i>Whole-time Director</i>
Mr. Prawin Somani	- <i>Whole-time Director</i>
Mr. Rajesh Somani	- <i>Whole-time Director</i>
Mr. Ravi Thakurdasji Laddha	- <i>Non-Executive Director</i>
Mr. Surendra Kumar Jain	- <i>Independent Director (Chairman)</i>
Mr. Vinod Kumar Arora	- <i>Independent Director</i>

KMP's

Mr. Utsabanand Nath	- <i>Chief Financial Officer</i>
Mr. Akshat Sharma	- <i>Company Secretary & Compliance Officer</i>

Bankers

YES Bank Limited

Statutory Auditors

M/s. O P BAGLA & Co. LLP (Chartered Accountants)
501, 5th Floor, B-225 Okhla Indl. Area, Phase-I, New Delhi - 110020

Secretarial Auditors

M/s. S.G. Kankani & Associates
Office No. 701 & 712, 7th Floor, Orange Hive, Mowa,
Vidhan Sabha Road, Opp. Renault Showroom, Raipur C.G. - 492005

Internal Auditors

Himanshu R & Company (Chartered Accountants)
C-13, Shailendra Nagar, Raipur C.G. - 492001

Registrar & Transfer Agents

Bigshare Services Private Limited
S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road,
Andheri (E), Mumbai-4000093
Ph.: +91-22-62638200; e-mail: info@bigshareonline.com

Registered Office & Works

Duldula Village, Simga Tehsil, Baloda Bazar, Chhattisgarh-493101
P: +91 8126666604 | Email: secretarial@earthstahl.com | website: www.earthstahl.com

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NOTICE

NOTICE is hereby given that the 16th Annual General Meeting ("AGM") of the members of Earthstahl & Alloys Limited will be held on 30th September 2025 at 12:30 p.m. IST through video conference ("VC")/ other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

Item no. 1: Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2025 along with the reports of the Board of Directors and Auditors thereon.

Item no. 2: Appointment of Director, liable to retire by rotation.

To appoint a director in place of Mr. Ravi Thakurdasji Laddha (DIN: 00008358), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for reappointment.

By order of the Board of Directors
For Earthstahl & Alloys Limited

Place: Simga
Date: 29/08/2025
Registered Office: Duldula Village,
Simga Tehsil, Baloda Bazar,
Chhattisgarh-493101.

Akshat Sharma
Company Secretary

Notes:

1. Pursuant to General Circular nos. 14/2020, 17/2020, 20/2020, 02/2021 issued by the Ministry of Corporate Affairs ("MCA") and Circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as "the Circulars"), as amended from time to time, companies are allowed to hold "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars, the 16th AGM of the Company is being convened through VC / OAVM.
2. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company.
3. The Company has appointed Bigshare Services Pvt. Limited. ("BSPL"), to provide the facility of VC/OAVM for the AGM and the attendant enablers for conducting the AGM.
4. This notice of AGM along with the Annual Report for 2024-25 is being sent by electronic mode to all the members of the Company in their respective e-mail ID's registered with the Company / Depository Participant. Shareholders may also note that the Notice of 16th Annual General Meeting along with the Annual Report for the year 2024-25 will also be available on the website of the Company www.earthstahl.com.
5. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars read with applicable SEBI Circulars, physical attendance of members have been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM, and therefore the Proxy form, Attendance slip, and the Route map are not annexed to this Notice.
6. Pursuant to the provisions of the MCA Circulars and SEBI Circular for conducting AGM through VC/OAVM:
 - a. Members can attend the Meeting using the remote e-voting login credentials provided to them to connect to Video conference.
 - b. Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the

NOTICE

Company. Since this AGM is being held through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this Notice.

- c. Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM, participate thereat and cast their votes through remote e-voting or e-voting during the Meeting.
 - d. In case of joint holders attending the AGM through video conferencing, only such joint holder who is higher in the order of names will be entitled to do the e-voting.
7. The attendance of the Members (members logins) attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 8. In line with the MCA Circulars and SEBI Circular, the Notice calling the AGM and Annual Report has been uploaded on the website of the Company at www.earthstahl.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and is also available on the website of e-voting agency BSPL at the website address <https://ivote.bigshareonline.com>.
 9. The details required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Secretarial Standard on General Meetings (SS-2), in respect of the Directors seeking appointment/ re-appointment at the AGM, is annexed and forms part of this Notice.
 10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
 11. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act will be available for inspection during the AGM, if the Members so desire. All documents referred to in the Notice will also be available electronically for inspection, without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to secretarial@earthstahl.com.
 12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 16th AGM. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by Bigshare Services Pvt. Limited. (BSPL).
 13. Members who have voted through remote e-Voting will be eligible to attend the AGM but will not be eligible to vote thereat.
 14. The remote e-voting period commences on Saturday, 27th September 2025 (9.00 a.m. IST) and ends on Monday, 29th September 2025 (5.00 p.m. IST). The Members of the Company, holding shares, as on the cut-off date i.e. Friday, 19th September 2025, may cast their vote by remote e-voting during the aforesaid period. The remote e-voting module shall be disabled by BSPL for voting thereafter.
 15. Those Members, who will be present at the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting, shall be eligible to vote through e-voting system during the AGM. Once the vote is cast on a resolution by the Member, such Member will not be allowed to change it subsequently.
 16. 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, viz., Friday, 19th September 2025 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through electronic voting system. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
 17. Mr. Kamlesh Ojha (FCS: 10807, CP: 14660) or failing him, Mr. S.G. Kankani, (FCS: 3127, CP: 14730) from M/s. S.G. Kankani & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner after the conclusion of e-voting at the Meeting.

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18. The Scrutinizer will scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorized by him in writing, who shall countersign the same.
19. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company at www.earthstahl.com. The result will simultaneously be communicated to the Stock exchange(s) where the equity shares of the Company are listed. The results will also be placed on the website of BSPL i.e., <https://ivote.bigshareonline.com>.
20. Subject to receipt of requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM i.e. 30th September, 2025.
21. The detailed steps on the process and manner to access the VC/OAVM facility at the AGM and for remote e-voting/ e-voting at the AGM are as follows:

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

- i. The voting period begins on Saturday, 27th September 2025 (9.00 a.m. IST) and ends on Monday, 29th September 2025 (5.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 19th September 2025 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. 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 December 9, 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 and joining virtual meetings 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	1) 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.

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	<p>2) 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.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</p> <p>4) 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.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) 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.nsd.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 or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>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 or joining virtual meeting & voting during the meeting.</p>

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:

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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.co.in 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 your registered 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 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 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.

NOTICE

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.
- 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 e-mail 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.

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.

4. Procedure for joining the AGM/EGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).

NOTICE

- 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 desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “VIDEO CONFERENCE LINK” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM are as under:-

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM/EGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions (‘FAQs’) available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338.

BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT / VARIATION IN TERMS OF REMUNERATION AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015]

Name	Mr. Ravi Thakurdasji Laddha
Director Identification Number (DIN)	00008358
Date of Birth	October 10, 1972
Age	52 years
Nationality	Indian
Date of first appointment in the Board	November 15, 2010
Terms and Conditions of Appointment / Re-appointment	Liable to retire by rotation
Educational Qualifications	Bachelor’s degree in Engineering
Profile & Experience	He possesses around 27 years of experience in the steel industry. He holds a bachelor’s degree in engineering from Amravati University passed in the year 1995 and has been associated with the company since the year 2010.
Nature of Expertise in specific functional areas	Project planning and execution, plant operation
Relationship with Directors / KMP of the Company	-
Directorship in other listed entities	NIL
Listed entities from which Director has resigned in the past 3 years.	NIL
Chairmanship / Membership of the Committees of other listed entities.	N.A.
Shareholding in Earthstahl & Alloys Limited (as on 31.03.2025)	11,04,000 shares

BOARDS' REPORT

Dear Members,

Your directors present the 16th Annual Report on business and operations of your Company for the financial year ended 31st March 2025.

Financial Highlights

(₹ in Lakhs)

Particulars	2024-25	2023-24
Revenue (Net)	7227.64	8794.39
EBIDTA	447.84	618.84
Depreciation	258.73	215.27
Finance cost (Net)	113.89	92.61
Profit/(Loss) before tax	75.22	310.96
Tax Liability	(21.85)	(121.85)
Profit after tax	53.37	189.12

State of Company Affairs

The price realization of Cast Iron Lumps fell from Rs. 36,600 to Rs. 34,800 PMT. As against this the cost of production went up mainly due to increase in the electricity tariff. The power tariff was increased by the state distribution utility drastically from June 2024 by reducing load factor incentive from 25% to 10% and increase in the tariff by 25 paise per unit making operations unviable. We had taken shutdown during August and Sept. 2024 to utilise the period for maintenance of the plant. As a result, Production of CI Lumps fell from 17, 860 MTs to 14, 631MTs. In view of the losses across the industry, state govt. extended electricity subsidy for a period for 6 months from Oct. 2024 which was again withdrawn from April, 2025. Now Load factor Incentive has been restored but tariff has been increased by 15 paise per unit. Price of CI Lumps has fallen further. Production of Pipe fittings increased from 1050 to 1100 tonnes with stable price realization. The Company is exploring production of other value-added casting products.

Export

During the year, your Company exported pipe fittings worth Rs.27 lakhs.

Projects

The 132 KV power supply system and briquetting plant was commissioned in Oct. 2024. Request for restoration of tariff differential of 50 paise per unit (from 25 paisa) for 132 KV supply has been accepted partially by increasing it from 25 paise to 40 paisa per unit with effect from 1st July 2025. This will give much needed relief.

The state government has changed policy for banking of solar power making it economically unattractive. Industry associations have made representation for relaxations to make it economically viable. As such we have deferred the plan to install solar power project for long term sustainable viability of Cast Iron production.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2024-25 in the Statement of profit and loss. Accordingly, no amount has been transferred to reserves.

Dividend

In view of the financial performance and commitments for business of the Company, your directors do not recommend any dividend for the year ended March 31, 2025.

Change in Nature of Business

There was no change in the nature of the business of the Company.

Material Changes and commitment occurred after the end of financial year and up to the date of Report

There are no material changes and commitments affecting the financial position of the Company since close of the financial year.

NOTICE

Subsidiary Company, Associate Company, or Joint Venture Company

Your Company does not have any Subsidiary Company, Associate Company, or a Joint Venture Company. Accordingly, the disclosure requirement for subsidiary, controlled entities or joint ventures in Form/e-Form AOC-1 is not applicable to the Company.

Adequacy of Internal Control Systems

Company has adequate Internal Financial Controls System over financial reporting which ensures that all transactions are authorized, recorded, and reported correctly in a timely manner. The Company's Internal Financial Controls over financial reporting provides reasonable assurance over the integrity of financial statements of the Company.

Company has laid down Standard Operating Procedures, Policies and procedures to guide the operations of the business. Functional heads are responsible to ensure compliance with all laws and regulations and also with the policies and procedures laid down by the management. An independent firm of CAs has been assigned work of internal audit. The report of independent auditors is reviewed by the audit committee and corrective actions are taken.

Deposits

The company has neither accepted nor renewed any deposits from public during the year under review to which the provisions of the Chapter V of the Companies Act 2013 or Companies (Acceptance of Deposits) Rules 2014 applies. As such no particulars required under Rule 8(5)(v) of the Companies (Accounts) Rules 2014 are given.

As on 31st March 2025, the company has outstanding unsecured loan of Rs. 355.25 lakhs, from the Directors / related parties.

Loans, Guarantees or Investments covered by Section 186 of the Companies Act, 2013

During the year under review, your Company has neither provided any loan or guarantee, nor made any investment covered by Section 186 of the Companies Act, 2013.

Policy on remuneration of directors

The Company follows a policy on remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company. The policy is approved by the Nomination & Remuneration Committee of the Company and has been uploaded on the Company's website and can be accessed at the <https://earthstahl.com/wp-content/uploads/2023/08/Nomination-and-Remuneration-Policy.pdf>.

The Company, with the approval of Nomination & Remuneration Committee has adopted a policy on Board diversity and the recommendation of candidature for Board appointment will be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

Directors & Key Managerial Personnel

- Appointment/Resignation of Directors: There has been no change in the composition of the Board of Directors of the Company during the year ended 31st March 2025.
- Retirement by Rotation: In accordance with the provisions of Section 152(6) of the Act and in terms of the Articles of Association of the Company, Mr. Ravi Thakurdasji Laddha (DIN:00008358), Director will retire by rotation at ensuing Annual General Meeting and being eligible, he has offered himself to be re-appointed as Director. The Board proposes his reappointment to the members.
- Appointment / Resignation of Key Managerial Personnel: There has been no instance of appointment / resignation of Key Managerial Personnel in the Company during the year ended 31st March 2025.

Meetings

During the financial year 2024-25, a total of 04 (four) meetings of the Board of Directors were held.

BOARDS' REPORT

Board evaluation

The evaluation framework for assessing the performance of the Directors of the Company comprises of contributions at the Meeting(s) and strategic perspective or inputs regarding the growth and performance of the Company, amongst others.

Pursuant to the provisions of the Companies Act, 2013 and rules made there under and as provided under Schedule IV of the Act and Listing Regulations, the Board has carried an annual performance evaluation of its own performance, all the committees of Board and the directors individually including Chairman and Independent Directors in accordance with the criteria of evaluation approved by Nomination & Remuneration Committee.

Outcome of Evaluation: Board of the Company was satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by law, important issues are brought up and discussed in the Committee meetings. The Board was also satisfied with the contribution of Directors, in their individual capacities.

Director Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby States;

- (a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;
- (c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That the Directors have prepared the annual accounts on a going concern basis;
- (e) That 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;
- (f) That 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;

Independent Director's Declaration

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and 16(b) of the Listing Regulations so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the rules made there under and Listing Regulations.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ("IICA"). Further, as per the declarations received, all the Independent Directors of the Company have either passed or were exempted to clear online proficiency test as per the first proviso to Rule 6(4) of the MCA Notification dated October 22, 2019 and December 18, 2020.

Audit Committee

In compliance with the provisions of Section 177 of the Act, the Board has constituted an Audit Committee. The Statutory Auditors and Internal Auditor of the Company are regular invitees at the Audit Committee Meetings. The Audit Committee holds discussions with the Statutory Auditors on the 'Limited Review' of the half-yearly, the yearly Audit Plan, matters relating to compliance of Accounting Standards, their observations arising from the annual audit of the Company's accounts and other related matters.

The Audit Committee is presented with a summary of internal audit observations and follow up actions thereon. The terms of reference of Audit Committee includes the matters prescribed under Section 177 of the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.

NOTICE

The Company Secretary acts as the Secretary to the committee. The composition of the Audit Committee as at March 31, 2025 was as under:

Name of Member	Membership	Category
Surendra Kumar Jain	Chairman	Independent Director
Vinod Kumar Arora	Member	Independent Director
Prawin Somani	Member	Whole-Time Director

Nomination & Remuneration Committee

In compliance with the provisions of Section 178 of the Act, the Board has constituted the Nomination and Remuneration Committee ("NRC"). The composition of NRC as on March 31, 2025 was as under:

Name of Member	Membership	Category
Vinod Kumar Arora	Chairman	Independent Director
Surendra Kumar Jain	Member	Independent Director
Ravi Thakurdasji Laddha	Member	Non-Executive Director

Nomination & Remuneration Policy

The Board of Directors of the Company has, on the recommendation of Nomination and Remuneration Committee, framed and adopted a Nomination and Remuneration Policy. The details of criteria for making payment to Whole Time Directors, Non-Executive and Independent Directors are provided under the Nomination and Remuneration Policy of the Company.

The objectives of the Nomination and Remuneration Policy of the Company is to ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and qualify requirement to run the Company successfully. Further, policy for remuneration to the Directors, Key Managerial Personnel and Senior Management provides for balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The said policy is available on the website of the Company at <https://earthstahl.com/wp-content/uploads/2023/08/Nomination-and-Remunerati-on-Policy.pdf>.

Remuneration to Whole-time Directors:

The Remuneration/Commission etc. to be paid to Whole-time Directors, etc. shall be governed as per the applicable provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the requisite approvals obtained from the Members of the Company as per the applicable provisions.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Whole-time Directors.

Remuneration to Non-Executive/Independent Directors:

- The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- All the remuneration to the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013), in case of no profit or inadequate profit, shall be subject to limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

BOARDS' REPORT

- The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

Remuneration to Key Managerial Personnel:

- The remuneration to Key Managerial Personnel shall consist of fixed pay and incentive, if any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy, to the extent it is applicable to the Company.
- The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel.
- The Fixed pay shall include monthly remuneration, employer's contribution to provident fund, contribution to pension fund, gratuity benefit, pension schemes, if any, etc. as may be decided from time to time considering market condition, inflation, qualification and experience of the concerned key managerial personnel.
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel, to be decided annually or at such intervals as may be considered appropriate.

Statutory Auditors

The report of the Statutory Auditors of the Company forms part of the annual report. The Statutory Auditors have issued Audit Report with unmodified opinion on the Financial Statements of the Company for the year ended 31st March 2025.

The Notes on the Financial Statement referred to in the Audit Report are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3)(f) of the Companies Act, 2013.

During the year under review, the statutory auditors have not reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees.

The existing Statutory auditors, having completed maximum permitted tenure under the Companies Act, 2013, had retired at the end of the previous Annual General Meeting. Further, the Board of Directors on the recommendation of the Audit Committee, had proposed to appoint M/s. O P Bagla & Co. LLP, Chartered Accountants, (Firm Registration No. 000018N/N500091; PR No. 014112) as Statutory Auditors of the Company for a period of first term of 5 years. The same was approved by the members of the Company at their Annual General Meeting held during the F.Y. 2024-25.

Secretarial Auditors

The Board had appointed M/s. S.G. Kankani & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2024-25. Form IEPF 2 couldn't be filed because of technical glitch faced in filing. The company has raised the ticket with MCA to resolve the issue. No amount is due for transfer to Investor Education & Protection Fund.

In relation to 1 (one) day delay in furnishing Prior Intimation of Board meeting to the Stock Exchange under Reg. 29 of the SEBI (LODR) Regulations 2015, the same was not filed due to oversight, and utmost care will be taken to prevent such occurrences in all the upcoming filings of the Company.

The Secretarial Audit Report is annexed as 'Annexure-A' to this Report.

Explanations on Qualifications/Adverse remarks contained in the Audit Report

There were no qualification, reservations or adverse remarks made by the Auditors in their report. Observations of the Auditors are self-explanatory and do not call for further information.

No instances of were noticed by the Auditors under Section 143(12) of the Companies Act, 2013.

Risk Management Policy

The Company has developed and implemented risk management policy including identification therein of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the company. The risk management includes

NOTICE

identifying types of risks and its assessment, risk mitigation and monitoring and reporting. The Board judges from time to time Credit Risk/ Liquidity Risk to the fair and reasonable extent that your Company is willing to take.

Corporate Social Responsibility (CSR)

Provisions of Corporate Social Responsibility as prescribed under section 135 of the Companies Act 2013 are not applicable to the company as it doesn't meet any of the criteria stipulated therein. Accordingly, the CSR Reporting under 'The Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company for the year.

Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to provide a healthy environment to all employees that enable them to work without the fear of prejudice and gender bias. Your Company has in place a Prevention of Sexual Harassment (POSH) Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company through this policy has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and your Company has complied with its provisions.

Further, disclosure of number of complaints are as under:

Particulars	no. of complaints
a. number of complaints of sexual harassment received in the year (2024-25)	0
b. number of complaints disposed off during the year (2024-25)	0
c. number of cases pending for more than ninety days (2024-25)	0

Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo

(A) Conservation of Energy

(i) the steps taken or impact on conservation of energy	The company has installed briquetting plant to achieve energy efficiency in furnace operation.
(ii) the steps taken by the company for utilising alternate sources of energy	-
(iii) the capital investment on energy conservation equipments	Nil

(B) Technology Absorption

(i) the efforts made towards technology absorption	-
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	NA
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	NA
(iv) the expenditure incurred on Research and Development.	NIL

(C) Foreign Exchange Earnings & Outgo

Particulars	Amount (₹ in Lakhs)
Foreign Exchange earned in terms of actual inflows during the year	27
Foreign Exchange outgo during the year in terms of actual outflows	10

BOARDS' REPORT

Statement under Rule 5(2) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as below:

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2024-25, and the percentage increase in remuneration of each Director, Chief Financial Officer, and Company Secretary in the financial year 2024-25.

S. No.	Name of Director / KMP	Designation	% increase in Remuneration	Ratio of remuneration of each Director to median remuneration of employees
1.	Rajesh Somani	Whole-time Director	NIL	8.31
2.	Prawin Somani	Whole-time Director	NIL	12.72
3	Padma Somani	Whole-time Director	NIL	8.31
4.	Utsabanand Nath	CFO	15.99%	N.A.
5.	Akshat Sharma	Company Secretary	10.70%	N.A.

- The percentage increase in the median remuneration of employees in the financial year 2024-25 was 1.77 %.
- There were a total of 145 permanent employees on the rolls of Company as on 31.03.2025.
- Average % increase in the salaries of employees other than the managerial personnel in the last financial year, i.e. 2024-25 was 13.97% as against 7.17% increase in managerial remuneration for the same period.
- There is no increase in remuneration of Directors of the Company.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

No employee was in receipt of remuneration from the Company amounting to Rupees One Crore Two Lakhs or more in aggregate, during the financial year 2024-25, if employed throughout the financial year or Rupees Eight Lakhs Fifty Thousand or more per month, if employed for a part of the financial year. None of the employees other than directors hold 2% or more of the equity shares of the Company.

The statement containing names of top Ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 is furnished as below:

Sr. No.	Name of Employee	Designation	Salary per annum (in ₹ lakh)	Qualification	Experience (in years)	Date of joining	Age (in years)	Last Employment	Names of Directors to whom employee is a relative
1	Mr. Prawin Somani	Whole-time Director	18.00	Senior Secondary	20 years	01-04-2022	50	--	Brother of Mr. Rajesh Somani
2	Mr. Rajesh Somani	Whole-time Director	12.00	B.Com	28 years	01-09-2022	56	--	Brother of Mr. Prawin Somani and spouse of Mrs. Padma Somani
3	Mrs. Padma Somani	Whole-time Director	12.00	B.A.	18 years	02-01-2023	56	--	Spouse of Mr. Rajesh Somani
4	Mrs. Swati Laddha	General Manager	12.00	B.E. Computer Science	30 years	01-08-2022	49	--	Spouse of Mr. R.T. Laddha
5	Mr. Utsabanand Nath	CFO	12.60	B.Com	31 years	02-01-2023	54	Fortune Metaliks Ltd.	-

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Sr. No.	Name of Employee	Designation	Salary per annum (in ₹ lakh)	Qualification	Experience (in years)	Date of joining	Age (in years)	Last Employment	Names of Directors to whom employee is a relative
6	Mr. Mukesh Lal Shrivastava	Plant Head	12.00	B.Tech Mechanical	21 years	01-04-2020	46	Indo Rama Synthetics Ltd.	-
7	Mr. K Srinivasa Ravi*	Plant Head	10.50	Diploma in Metallurgical Engineering	26 Years	26-07-2024	50	Champion Alloys Limited Serenje, Zambia	-
8	Mr. Hemant Mishra	Head Production Manager -Foundry Site	7.86	B.Sc.	26 years	01-12-2018	52	Shivalik Steel & Power Pvt. Ltd.	-
9	Mr. Chandan Kumar Sinha	Lab Incharge cum Furnace Incharge – SAF Site	6.90	M.Sc.	18 years	13-04-2018	45	Shivam Iron and Steel Alloys Ltd.	-
10	Mr. Prince Kumar Singh	Head - Electrical	6.28	ITI	15 years	01-12-2020	37	V A Power Ltd.	-

*Note: Mr. K Srinivasa Ravi was employed in the Company for only a part of the year and has resigned from the Company w.e.f. 11.01.2025.

Vigil Mechanism

The Company has established a Whistle Blower Policy/Vigil Mechanism in compliance with the provision of Section 177(10) of the Companies Act, 2013 for the genuine concerns expressed by the employees and Directors about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Company provides adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The Board has approved the policy for vigil mechanism which is available on the website of the Company at <https://earthstahl.com/wp-content/uploads/2023/08/vigil-Mechanism-policy.pdf>.

Related Party Transactions

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

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. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form/ e-Form AOC-2 is not applicable to the Company for financial year 2024-25 and hence does not form part of this report. Details of related party transactions entered into by the Company have been disclosed in the notes to the financial statements forming part of this Report.

Annual Return

The Annual Return of Company for the F.Y. 2024-25 will be available on the Company's website at <https://earthstahl.com/annual-return/>

Significant / material Orders passed by Court / Tribunal / Regulator

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

BOARDS' REPORT

Maintenance of Cost Records

During the year under review, the Company was required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records were made and maintained.

Compliance with Secretarial Standards

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

Application / Proceedings pending under the Insolvency and Bankruptcy Code, 2016

Under the Insolvency and Bankruptcy Code 2016, no applications were made during the financial year 2024-25 by or against the Company, and there are no proceedings pending as at the end of the financial year.

Remuneration to MD / WTD from Holding / Subsidiary Company

The Company does not have any holding or subsidiary company. Hence, no question arises of payment of remuneration or commission to the Managing Director / Whole-time Director of the Company from the holding company or from the subsidiary company.

Change in Capital Structure / Voting Rights

During the year under review, there was no change in the capital structure of the Company.

Further, there were no instances of issuance of Sweat Equity Shares / Equity Shares with differential voting rights / Employee Stock Option Scheme during the year.

One-time Settlement and valuation thereof

The Company has not made any one-time settlement with any of its lenders.

Compliances under Maternity Benefit Act 1961

The Company is in compliance with the applicable provisions of the Maternity Benefit Act 1961.

Acknowledgment

The Board takes this opportunity in expressing their gratitude towards the bankers to the Company. The Board also acknowledges the continuous support received from its shareholders, stakeholders and employees of the Company.

On behalf of Board of Directors

Place: Simga
Date: 29th August, 2025

S.K. Jain
Chairperson
(DIN:00179336)

ANNEXURE A TO THE BOARDS' REPORT

ANNEXURE - A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2024-25

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

M/s Earthstahl & Alloys Limited

CIN: L27310CT2009PLC021487

Duldula Village, Simga Tehsil,

Simga, Baloda Bazar-493101 (Chhattisgarh)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Earthstahl & Alloys Limited having CIN: L27310CT2009PLC021487 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025:

- complied with the statutory provisions listed hereunder; and
- proper Board-processes and compliance-mechanism in place;

to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. (Not Applicable)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - Securities and Exchange Board of India (Depositories and Participant) Regulation 2018;
- (vi) Other laws applicable specifically to the Company as per the representation made by the Company

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

ANNEXURE A TO THE BOARDS' REPORT

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. The Listing Agreement(s) entered into by the Company with Stock Exchange(s)

We report that, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above except the following:

- (i) The Company has not filed Form IEPF-2 for unclaimed and unpaid Dividend as on 31st March, 2024. In this regard, we have been informed by the Company that the same was not filed due to technical issue in the above form at MCA V3 portal. The Company had raised the complaint with MCA for resolution. However no resolution has been provided by the MCA helpdesk till date.
- (ii) There was delay of 1(one) day in furnishing prior intimation about the meeting of the board of directors for Financial Results in pursuance to the provisions of Reg. 29 of the SEBI (LODR) Regulations 2015

We further report that there were no actions/events in pursuance of:

- a) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

requiring compliance thereof by the Company during the Financial Year.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. Further, the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors of the Board Meetings/ Committee meetings, agenda along with detailed notes thereon were sent as per the provisions of the Act
- A system existed for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views that need to be recorded.

We further report that based on the review of the Compliance mechanism established by the Company, we are of the opinion 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.

ANNEXURE A TO THE BOARDS' REPORT

We further report that during the audit period there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

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

For, S.G. KANKANI & ASSOCIATES

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No.: 14660

UDIN:F010807G001055180

Place: Raipur (C.G.)

Date: 21-08-2025

ANNEXURE A TO THE BOARDS' REPORT

Annexure-A

To,
The Members
M/s Earthstahl & Alloys Limited
CIN: L27310CT2009PLC021487
Duldula Village, Simga Tehsil,
Simga, Baloda Bazar-493101 (Chhattisgarh)

Auditor's Responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. 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 we followed, provides a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, Books of Accounts of the Company. Further, we have also not verified other financial laws like direct and indirect tax laws as applicable to the Company, since the same has been subject to review by statutory audit and other designated professionals.
4. Wherever required, we have obtained the 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 random 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, S.G. KANKANI & ASSOCIATES

COMPANY SECRETARIES

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:F010807G001055180

Place: Raipur (C.G.)
Date: 21-08-2025

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure & Developments

Pig Iron / Cast Iron

We are producing Cast Iron (CI) through Submerged Arc Furnaces. This industry is fragmented and most of the producers are small and medium industrial units. Submerged Arc Furnaces (SAF) are mostly used for production of ferro alloys.

Cast iron is used as substitute of Pig iron in steel plants / foundries. Pig iron is mainly produced through blast furnace route by primary steel producers using coke as reductant whereas Cast iron produced in SAF uses electricity for reduction /melting. As such, Coke constitutes substantial cost in manufacturing of Pig iron whereas electricity constitutes main cost of production in CI Lumps. However, because of substitutive nature, prices of CI Lumps have strong co-relation with price of pig iron.

Because of fall in steel prices the prices of pig iron and Cast iron also fell sharply. Our Average realization also fell sharply from Rs.36500 PMT to Rs. 34800 PMT whereas price of electricity, the major cost in production, went up substantially due to reduction of power load factor incentive to 10% and increase in power tariff by 25 paise per unit affecting the profitability. As against this the cost of producing pig iron has gone down because of fall in prices of inputs i.e. iron ore and coke.

Casting is most often used for making complex shapes that would be otherwise difficult or uneconomical to make by other methods. Metal castings find applications almost in all industries.

The Indian foundry industry manufactures metal cast components for applications in automotives, tractors and other farm equipment, water supply infrastructure, railways, machine tools, sanitary, pipe fittings, defense, aerospace, mining and earth moving machinery, textile, cement, electrical, power machinery, pumps/valves, wind turbine generators, etc.

There are approximately 5000 foundries in India, which are largely in the MSME sector, with a handful of major players, located in various foundry clusters. Each cluster is known for a particular speciality in terms of the range of products manufactured.

Foundries currently produce over 10 million TPA of cast components in ferrous and non-ferrous category as per various international standards. It is about 10% of the global production by weight. The products range in size from a few grams to over 100 tonnes per piece for various applications. The Indian foundry industry has gradually risen from No. 5 to become the 3rd largest globally, having grown by over 43% since 2008.

The Iron & Steel Casting industry can leverage valuable opportunities by prioritizing resilience and innovation. This entails maintaining investment discipline, actively engaging in business ecosystems, and demonstrating a strong commitment to sustainability, thereby underscoring the chemicals industry's pivotal role in driving sustainable solutions.

Furthermore, the Global Iron & Steel Casting Market Analysis Report offers a comprehensive assessment with detailed qualitative and quantitative research, evaluating the current scenario and providing future market potential for different product segments across various applications and end-uses until 2031.

B. Opportunities

We are recycling the hazardous waste generated in the steel plants to improve life cycle and conserve the natural resources. With increased focus on sustainability and social governance, there will be more focus and encouragement for the industry. India is the second largest producer of steel and the only major steel producing country recording positive growth in production. A large capacity addition is lined-up in steel providing huge opportunity for waste recycling. We can also shift to production of ferro alloys after getting necessary environmental clearances.

We have installed Briquetting plant for use of hazardous dust generated in steel plants. Necessary approval of use of hazardous material has also been received. That will widen sources of raw material and save on costs.

We are also exploring opportunities for producing cast articles for railway / defence sector, which throws large market for growth.

The company has also acquired land in iron ore rich belt of Gadchiroli district of Maharashtra for future growth. A large number of steel manufacturing facilities are coming up in the area which has got huge good quality iron ore reserves.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Threats

The fall in input prices for pig iron produced through blast furnace route poses threat to the cast iron industry because of fall in their production cost whereas production cost of CI Lumps has gone up due to increase in electricity prices.

C. Product-wise Performance

Particulars	CI Lumps		Casting Articles	
	2024-25	2023-24	2024-25	2023-24
Production	14631	17859 MT	1100	1050 MT
Sales	13895	18613 MT	976	1052 MT

D. Outlook

The steel market is facing headwinds on account of increased exports from China and cheaper imports in India. Increased cost of power has also affected cost structure. From July 2025, power tariff has again been rationalised, making operation of CI Lumps sustainable. The Pipe fitting demand is fluctuating due to delay in release of orders by state governments for water supply projects. Various safeguard measures taken by the govt. to check cheap imports should augur well for the industry.

E. Risks and Concerns

As discussed in above paragraphs the major risk is fall in selling prices due to slow down in Chinese economy and another risk is sharp increase in electricity prices. These may have effect on profitability of the company. The company has taken effective steps to reduce cost of electricity and also evaluating further steps in this direction for long term sustainability.

F. Internal control systems and their adequacy

Company has adequate Internal Financial Controls System over financial reporting which ensures that all transactions are authorized, recorded, and reported correctly in a timely manner. The Company's Internal Financial Controls over financial reporting provides reasonable assurance over the integrity of financial statements of the Company.

Company has laid down Standard Operating Procedures, Policies and Procedures to guide the operations of the business. Functional heads are responsible to ensure compliance with all laws and regulations and also with the policies and procedures laid down by the management. The company has also appointed independent firm of Chartered Accountants to carry out internal audit to ensure that internal controls are working effectively.

G. Discussion on financial performance with respect to operational performance.

The turnover and profitability both fell during the year because of shutdown of the plant taken in August and Sept. 2024, resulting in fall in selling prices and increase in electricity cost. This has been explained in details in Directors' report.

H. Material developments in Human Resources / Industrial Relations front, including number of people employed.

There were no material developments in human resources / industrial relations during the year under review. There were a total of 145 employees in the payroll of your Company as on 31st March 2025.

I. Financial Ratios

Sl. No.	Ratios	2023-24	2024-25	% change	Reasons for significant changes
1	Debtors Turnover	34.43	44.13	28%	More sale on advance payments than against LCs
2	Inventory Turnover	8.56	5.51	-36%	Fall in turnover due to shutdown of plant in august & Sept. 2024.
3	Interest Coverage Ratio	6.68	3.93	-41%	Fall in profitability due to increase in power cost.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Sl. No.	Ratios	2023-24	2024-25	% change	Reasons for significant changes
4	Current Ratio	1.03	0.97	-6%	No significant change.
5	Debt Equity Ratio	0.35	0.49	-39%	Additional borrowing for projects and increased working capital needs.
6	Operating Profit Margin (%)	4.59%	2.62	-43%	Fall in profitability due to increase in power cost.
7	Net Profit Margin (%)	2.15%	0.74%	-66%	
8	Return on Net Worth	6.22%	1.44%	-77%	

Forward Looking Statement

Statement in this Management and Discussion Analysis describing your Company's objectives, projections and estimates and expectations may be "Forward Looking Statements" within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important development that could affect your Company's operations include a downward trend in the domestic industry, monsoon, rise in input cost and significant change in political & economic environment in India, environment standards, tax laws, RBI guidelines, litigations and labour relations.

INDEPENDENT AUDITORS REPORT

To,
The Members of
EARTHSTAHL & ALLOYS LIMITED

REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of EARTHSTAHL & ALLOYS LIMITED (“the Company”) having (CIN-L27310CT2009PLC021487), which comprise the Balance Sheet as at 31st March, 2025, and the statement of Profit and Loss 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its PROFIT and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards of auditing (SA’s) 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 section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, for each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	Auditors Response
<p>1. Revenue Recognition</p> <p>For the year ended March 31, 2025, the Company has recognized revenue from operations of Rs. 7227.64 Lakhs. Revenue recognition has been recognized as a key audit matter due to complex identification of transfer of significant risk and rewards in case of domestic sales.</p> <p>We have identified following key areas for consideration:</p> <p>The contractual terms of delivery of material that defines when control is transferred to the customer.</p> <p>RELATED DISCLOSURES:</p> <p>Please refer to Note-1- (ii)(I) for details of the accounting policies of revenue recognition and Note-2.19 of notes to financial statements for relevant disclosures of Revenue.</p>	<p>How our audit addressed the key audit matter</p> <ul style="list-style-type: none"> • Our audit procedures included the evaluation of the Company’s revenue recognition accounting policies and assessing compliance with the policies in terms of AS-9. • Performed walkthroughs and test of controls, of the revenue recognition processes and assessed the design and operating effectiveness of key controls. • Performed substantive testing on selected samples of revenue transactions recorded during the year by testing the underlying documents including contracts, invoices, goods dispatch notes and customer receipts, wherever applicable. • Tested a sample of manual journal entries posted to revenue ledgers to identify any unusual items. • Assessed the disclosures made by the Company.

INDEPENDENT AUDITORS REPORT

2. Capitalization of Property, Plant & Equipment	How our audit addressed the key audit matter
<p>During the year the company has capitalized expenditure amounting to Rs 1579.97 Lakh from CWIP. Judgment is involved to determine that the aforesaid capitalization meet the recognition requirement as per AS- 10.</p> <p>Accordingly, the above has been determined as a key audit matter.</p> <p>RELATED DISCLOSURES:</p> <p>Please refer to Note-1- (ii) (C) and (D) for details of significant accounting policies of Property Plant and Equipment and capital work in progress and Depreciation and amortization and Note No. 2.9 of the financial statement for relevant disclosures of PPE and Capital work in progress.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> • Assessed the nature of the additions made to property, plant and equipment, and capital work-in-progress whether they meet the recognition criteria as set out in AS-10- Property, Plant and Equipment, including intended use of management. • Examined the management assessment of the assumptions considered for capitalizing the capital work in progress. • Examined the management assessment of the assumptions considered in estimation of useful life. • Examined the amounts capitalized during the year on a sample basis by inspecting supporting documents and evaluating whether assets capitalized satisfied the recognition criteria and were recognized accurately in the correct periods and with correct amount.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of 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 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 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS REPORT

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because

INDEPENDENT AUDITORS REPORT

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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph 2(g)(vi) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - 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 financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) 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 has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements—Refer Note 2.29.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

INDEPENDENT AUDITORS REPORT

- (c) Based on such 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 mis-statement.
- v. The Board of directors of the company have not declared any dividend during the Financial Year 2024-25.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2025.

Based on our examination which included test checks and information given to us, the Company has used accounting software for maintaining its books of account, have a feature of recording audit trail (edit log) facility from 15th April 2024 for all relevant transactions recorded in the respective software. Further, preserving of audit trail pertaining to the prior year is not applicable to the company as recording of audit trail has been commenced from current year itself.

3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For, **O.P. Bagla & Co. LLP**
Chartered Accountants
FRN: 000018N/N500091

[CA Atul Aggarwal]
Partner

M.NO . : 092656
UDIN-25092656BMLJNC7048

Place: New Delhi
Date: 29/05/2025

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

Annexure 'A'

The Annexure referred to in paragraph 1 Section: "Report on Other Legal and Regulatory Requirements".

The Annexure referred to in paragraph 1 Section: "Report on Other Legal and Regulatory Requirements".

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company except for one immovable Property. The details of the Immovable property are as below:-

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
Land	Rs. 1,78,80,757/-	<u>Prawin Somani</u>	Whole Time Director	FY 2024-25	The Registry of Land is pending as the diversion of land for non-agricultural use is pending.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventories have been physically verified during the year by the management in our opinion, the frequency of verification is reasonable. According to the information and explanations given to us, No material discrepancies were noticed on such verification.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

- (a) The Company has not provided unsecured loans or advances in the nature of loans and provided security to any other entity during the year. Details are as: -

Particulars	Guarantee	Security	Loans	Advance in Nature of Loans
Aggregate amount granted/ provided during the year :				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	- (PY-50)	-
Others Balance outstanding as at balance sheet date in respect of above cases :				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	- (PY-50)	-

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the payment of interest has been stipulated and the receipts of interest have generally been regular as per stipulation. Repayment of principal is stipulated on demand and there has been no cases of default on demand in current year.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters or KMP or related parties as defined in clause (76) of section 2 of the Companies Act, 2013. Details are as follows: -

Aggregate amount of loans/ advances in nature of loans as on 31-03-2025	All Parties	Promoters	Related Parties
Repayable on demand (A)	-	-	-
Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	-	-	-
Percentage of loans/ advances in nature of loans to the total loans	NA	NA	NA

According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records under section 148(1) of the Companies Act, 2013 are applicable to the company and we have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the disputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues that have not been deposited on account of matter pending before the appropriate authorities are as under:

(Amount in Rs. Lakhs)

Nature of Statue	Nature of Dues	Amount (₹)	Period to which amount Relates	Forum where dispute is pending
The State Goods and Service tax act, 2017	Claim of VAT credit through TRAN-1	16.55	-	Assistant Commissioner of state tax
Income Tax Act, 1961	Outstanding Demand	0.48	FY 2023-24	CPC, Income Tax Department.

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the money raised by the way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.

(x) (a). The company has not raised any money by way of Initial public offer and further public offer (including debt instruments) during the year.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

Order are not applicable to the Company.

- (xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
 - (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Therefore, this clause is not applicable on the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the company issued till the date of audit report, for the period under audit have been considered by us.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) On the information obtained from the management and audit procedures performed and 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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.37 to the financial statements.
- (xxi) Reporting of Clause 3(xxi) in relation to qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements is not applicable in case of standalone financial statements.

For, **O.P. Bagla & Co. LLP**
Chartered Accountants
FRN: 000018N/N500091

[CA Atul Aggarwal]
Partner

M.NO . : 092656
UDIN-25092656BMLJNC7048

Place: New Delhi
Date: 29/05/2025

ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

Annexure 'B'

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 EARTHSTAHL & ALLOYS LIMITED ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

- 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 March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **O.P. Bagla & Co. LLP**
Chartered Accountants
FRN: 000018N/N500091

[CA Atul Aggarwal]
Partner
M.NO . : 092656
UDIN-25092656BMLJNC7048

Place: New Delhi
Date: 29/05/2025

BALANCE SHEET

as at 31-03-2025

Amount in ₹ Lakhs

Particulars	Note No.	Amount as at 31.03.2025	Amount as at 31-03-2024
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	1,224.00	1,224.00
Reserves and Surplus	2.2	2,521.00	2,467.64
Non-current liabilities			
Long-Term Borrowings	2.3	833.74	770.12
Long term Provision	2.4	27.53	18.65
Deferred Tax Liabilities	2.10	144.00	140.86
Current liabilities			
Short-Term Borrowings	2.5	996.67	527.00
Trade Payables	2.6		
(A) total outstanding dues of micro enterprises and small enterprises		167.53	99.40
(B) total outstanding dues of Creditors other than micro enterprises and small enterprises		600.78	509.12
Short Term Provision	2.7	3.77	30.19
Other Current Liabilities & Provisions	2.8	242.42	246.91
	TOTAL	6,761.44	6,033.88
ASSETS			
Non-current assets			
Property, Plant & Equipment			
Tangible Assets	2.9	4,140.05	2,297.29
-Intangible Assets		-	-
-Capital work-in-progress	2.9	-	1,190.61
Long-Term Loans and Advances	2.11	15.28	484.66
Non-Current Investments	2.12	1.34	14.54
Other Non- current assets	2.13	650.36	585.57
Current assets			
Inventories	2.14	1,631.23	992.26
Trade Receivables	2.15	166.09	161.46
Bank, Cash & cash equivalents	2.16	5.56	103.19
Short Term Loans & Advances	2.17	83.41	130.86
Other Current Assets	2.18	68.12	73.44
	TOTAL	6,761.44	6,033.88

Significant Accounting Policies

1

Notes on Accounts

2.1 - 2.52

As per our report of even date attached herewith

For, M/s O P BAGLA & CO. LLP

Chartered Accountants

FRN: 000018N/N500091

For & on behalf of the Board of Directors

CA Atul Aggarwal

Partner

M. No 092656

UDIN:25092656BMLJNC7048

Date: 29.05.2025

Place: New Delhi

Rajesh Somani

Whole Time Director

DIN-01719930

Utsabanand Nath

Chief Financial Officer

Date: 29-05-2025

Place: Raipur

Prawin Somani

Whole Time Director

DIN-01143972

Akshat Sharma

Company Secretary

STATEMENT OF PROFIT & LOSS

For the year ended 31-03-2025

Amount in ₹ Lakhs

Particulars	Note No.	Year ended 31st March 2025	Year ended 31st March 2024
Revenue From Operations			
Revenue from Operations	2.19	7,227.64	8,794.39
Net Revenue from Operations		7,227.64	8,794.39
Other Incomes	2.20	49.81	98.41
Total Income		7,277.45	8,892.80
Expenses:			
Cost of Material Consumed	2.21	2,142.78	2,942.98
Change in Inventory	2.22	(571.29)	108.59
Purchases Stock in Trade	2.23	785.65	515.68
Power Charges	2.24	2,967.63	3,304.21
Production Related Direct Expenses	2.24	882.04	786.83
Employee Benefit Expenses	2.25	434.39	415.02
Finance costs	2.26	113.89	92.61
Depreciation expense	2.9	258.73	215.27
Other Expenses	2.27	188.41	200.67
Total Expenses		7,202.22	8,581.84
Profit before Exceptional Items and Tax		75.22	310.96
Exceptional Items		-	-
Profit before Tax		75.22	310.96
Tax expense:			
Current tax		(14.57)	(78.61)
Previous year Tax Adjustment		(4.14)	(36.57)
Deferred tax		(3.14)	(6.67)
Profit (Loss) for the period		53.37	189.12
Earnings per Equity Share	2.28		
Basic		0.44	1.55
Diluted		0.44	1.55

Significant Accounting Policies

1

Notes on Accounts

2.1 - 2.52

As per our report of even date attached herewith

For, M/s O P BAGLA & CO. LLP

Chartered Accountants

FRN: 000018N/N500091

CA Atul Aggarwal

Partner

M. No 092656

UDIN:25092656BMLJNC7048

Date: 29.05.2025

Place: New Delhi

For & on behalf of the Board of Directors**Rajesh Somani**

Whole Time Director

DIN-01719930

Prawin Somani

Whole Time Director

DIN-01143972

Utsabanand Nath

Chief Financial Officer

Date: 29-05-2025

Place: Raipur

Akshat Sharma

Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March 2025

Amount in ₹ Lakhs

Particulars	Year Ended 31-03-2025	Year Ended 31-03-2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per statement of P&L	75.22	310.96
Adjusted For:		
Depreciation Expenses	258.73	215.27
Finance Costs	113.89	92.61
Interest Income	(41.84)	(63.42)
Loss/(Gain) on Sale of Property Plant & Equipments(Net)	-	-
Loss/(Gain) on Sale of Investments (Net)		
Operating Profit before Working Capital Changes	406.00	555.42
Adjusted For:		
Trade and Other Receivables	(4.63)	187.99
Short Term Loans & Advances	67.62	(42.80)
Inventories	(638.97)	70.67
Other Current Assets	5.32	(23.02)
Trade and Other Payables	159.80	44.61
Long term provisions	8.88	8.88
Short term provision	(26.42)	27.30
Other Current Liabilities	(4.49)	(13.36)
Net Direct Taxes Paid	(38.88)	(33.26)
Net Cash generated/ (utilized) from Operating Activities (A)	(65.77)	782.43
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipments	(910.89)	(1,131.38)
Movement in Loans & Advances	469.38	(111.23)
Redemption/ (Purchase) of Investments	13.20	
Other Non Current Asset	(64.79)	(83.30)
Interest Income	41.84	63.42
Net Cash generated/ (utilized) from Investing Activities (B)	(451.26)	(1,262.49)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Equity Capital Infusion	-	-
Dividend Paid	-	(61.20)
Short Term Borrowings (Net)	469.67	(67.16)
Long Term Borrowings(net)	63.62	91.59
Finance Cost	(113.89)	(92.61)
Increase in Security Premium Reserve	-	-
Net Cash generated/ (utilized) from financing Activities (C)	419.40	(129.38)
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE PERIOD	103.19	712.62
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	5.56	103.19
Supplementary Information:		
Restricted cash balance	0.32	0.33
(On account of unpaid dividend)		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(97.63)	(609.43)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March 2025

Amount in ₹ Lakhs

Components of cash and cash equivalents	Amount as on 31-03-2025		Amount as on 31-03-2024	
a. Cash and Cash Equivalent include the following				
Cash on hand		2.41		5.61
Balances with Bank*		3.15		97.58
Deposit with Bank (having maturity period less than 3 months)*		-		-
Deposit with Bank (having maturity period more than 3 months and less than 12 Months)*		-		-

Note

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

*The Balances with Bank & deposit with bank (having maturity period less than 3 months) and deposit with bank (having maturity period more than 3 months and less than 12 months) includes the unutilized amount from IPO proceeds of Rs. NIL (PY- Rs.78.19 Lakhs)

As per our report of even date attached herewith

For, M/s O P BAGLA & CO. LLP

Chartered Accountants

FRN: 000018N/N500091

CA Atul Aggarwal

Partner

M. No 092656

UDIN:25092656BMLJNC7048

Date: 29.05.2025

Place: New Delhi

For & on behalf of the Board of Directors**Rajesh Somani**

Whole Time Director

DIN-01719930

Prawin Somani

Whole Time Director

DIN-01143972

Utsabanand Nath

Chief Financial Officer

Date: 29-05-2025

Place: Raipur

Akshat Sharma

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Note 1: Corporate Information and Significant Accounting Policies

(i) CORPORATE INFORMATION

EARTHSTAHL & ALLOYS LIMITED is a company incorporated on 09.12.2009 under the companies Act, 1956. The company is listed on the Bombay stock exchange (BSE) from 8th February, 2023. The company's principal business is production of Cast Iron Lumps. In addition, it is also engaged in production of high-end ductile iron, cast iron, steels, alloys, and non-ferrous castings.

The Financial Statements for the year ended 31st March 2025 are approved for issue in accordance with a resolution of the directors on 29th May 2025.

(ii) SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention and are prepared on accrual basis and in accordance with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013.

B. Use of Estimates:

The preparation of financial statements requires management to make estimates & assumptions that affect the reported amount of assets, liabilities including disclosure of contingent liabilities at the end of reporting period and revenue, expenses during the reporting period. Although such estimates and assumptions are made on a reasonable & prudent basis taking into account all available information, actual results could differ from these estimates & assumptions, and such differences are recognized in the period in which the results are materialised.

C. Property Plant and Equipment & Capital Work in Progress:

- a. Fixed Assets (Both Tangible and Intangible Assets) are stated at cost net of recoverable taxes less accumulated depreciation/amortization and impairment loss, if any.
- b. Capital Work in Progress: All indirect and direct expenditures including borrowing costs directly attributable to Projects under commissioning till the commencement of commercial production are carried at costs under Capital work in Progress. The trial run expenditures constituting of costs of manufacturing and cost of materials consumed reduced by any sales or income earned during the trial run period are capitalized along with other pre-operative expenditures incurred till the commencement of commercial production. The long-term advances towards Capital Expenditures are shown under Long Term Advances.
- c. Incidental expenditure prior to construction like preliminary project expenditures and indirect expenses like corporate office administrative expense are charged as period costs in the financial year to which they pertain.

D. Depreciation and Amortization:

- a. As per the provisions of Companies Act, 2013, depreciation calculation has been done based on the Useful life given in the Schedule II of Companies Act, 2013.
- b. Depreciation on all assets pertaining to the manufacturing facility is provided on the 'Straight Line Method' in the manner specified in Schedule II to the Companies Act 2013.
- c. Depreciation on additions to the Fixed Assets or on Assets sold, discarded, demolished is being provided on pro-rata basis from the date of addition.
- d. Assets costing up to Rs.5000/- are expensed out in the period they pertain to.
- e. Capital & Machinery spares procured with an item of fixed asset are depreciated along with the related plant and machinery.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

E. Impairment of Assets:

The carrying amount of assets are reviewed at the balance sheet date and if there is any indication of impairment based on internal/external factors, an impairment loss will be recognized wherever the carrying amount of the assets exceeds its recoverable value.

F. Investment:

Current Investments are carried at lower of cost and quoted/fair value if any. Non Current Investments are stated at costs. Provision of diminution in the value of Non current investments is made only if the decline is other than temporary.

G. Inventories:

a. Finished Goods –

Cost of Inventories comprises of cost of purchases, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective location and condition. The items of finished goods and Semi Finished stock are measured at lower of cost and net realizable value.

b. Raw Materials, Stores and Spares and Other Consumables -

Raw Materials and Other Stores and Consumables are valued at average cost in bringing the goods to the place of its location and condition (Net of Refundable taxes and Duties)

c. By Products -

By products are valued at net realizable value.

H. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till the commencement of commercial production. The amounts of borrowing costs eligible for capitalization are determined in accordance with Accounting Standard 16 on Borrowing Costs. Other borrowing costs are recognized as an expense in the period in which they are incurred.

I. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations shall not include sale during trial run period. Expenses are accounted for on the accrual basis with necessary provisions of all the known liabilities and losses.

Revenue from operations includes sales of goods which is shown inclusive of excise duty and it excludes Taxes on Sales and is net of trade discounts, if any.

Interest Income on deposits is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Dividend income from investments is recognized when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

J. Provisions/Contingencies:

Provisions are determined based on the best estimate of the amount required to settle the obligation at the balance sheet date. The contingent liabilities, if any, are not recognized but are disclosed in the form of accounting notes. Contingent assets are neither recognized nor disclosed in the financial statements.

K. Provision for Current and Deferred Tax

a. Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of section -115BAA of the Income Tax Act, 1961.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

- b. Deferred tax resulting from “timing difference” between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

L. Employee Retirement Benefits:

- a. Company’s contribution to provident fund is recognized as an expense in the statement of Profit and Loss for the year in which the related service is rendered.
- b. The retirements benefit and long-term employee benefits are recognized as expense in the relevant period at the present value of amounts payable determined using actuarial valuation techniques in accordance with AS-15. Currently no Earned leaves are accrued in the hands of Employees as on 31.03.2025 which needs recognition as employee retirement benefits in the accounting period 2024-25.

M. Government Grants

- a. Recognition: Grants are recognized only when there is a reasonable assurance that the entity has complied with the relevant conditions to receive such grants and when there is a reasonable certainty that the ultimate collection will take place.
- b. Government Grants related to revenue (subsidies in interest, power costs and others) from State/Central and other Government undertakings is recognized in the profit & loss statement under “Other Income” in the respective period to match with the related costs in which they are intended to compensate.
- c. The government grants related to depreciable capital assets are presented in the balance sheet by way of showing the grant amount as a deduction from the gross value of related assets in arriving at their book value. The capital grants that are not specific to any assets are shown under Capital Reserves.

N. Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. 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 executive Management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. The company has identified two segments: -

- (A) Submerged Arc Furnace (B) Foundry.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.1 SHARE CAPITAL

Particulars	As on 31-03-2025		As on 31-03-2024	
	Number	Amount	Number	Amount
Authorised				
Equity Shares having nominal value of Rs. 10 each Issued, Subscribed & Paid Up	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Equity Shares having nominal value of Rs. 10 each	1,22,40,000	1,224.00	1,22,40,000	1,224.00
Total	1,22,40,000	1,224.00	1,22,40,000	1,224.00

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of Shares Outstanding

Particulars	Equity Shares			
	As on 31-03-2025		As on 31-03-2024	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,22,40,000	1,224.00	1,22,40,000	1,224.00
Shares Issued during the year	-	-		
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,22,40,000	1,224.00	1,22,40,000	1,224.00

Disclosure relating to shareholder holding more than 5% of the equity.

Particulars	Equity Shares			
	As on 31-03-2025		As on 31-03-2024	
	No. of Shares held	% to total holding	No. of Shares held	% to total holding
Jaiguru Vintrade Pvt. Ltd.	31,80,000	25.98%	3180000	25.98%
Rajesh Somani	11,91,000	9.73%	1191000	9.73%
Prawin Somani	11,82,000	9.66%	1182000	9.66%
Ravi Thakurdasji Laddha	11,04,000	9.02%	1104000	9.02%

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Disclosure relating to change in shareholding of Promoter

Promoter Name	As on 31-03-2025		As on 31-03-2024		% change during the year
	No. of Shares	% to total holding	No. of Shares	% to total holding	
Jaiguru Vintrade Pvt. Ltd.	31,80,000	25.98%	31,80,000	25.98%	Nil
Rajesh Somani	11,91,000	9.73%	11,91,000	9.73%	Nil
Prawin Somani	11,82,000	9.66%	11,82,000	9.66%	Nil
Ravi Thakurdasji Laddha	11,04,000	9.02%	11,04,000	9.02%	Nil
M/s. Aayush Steelco Pvt. Ltd	5,55,000	4.53%	5,55,000	4.53%	Nil
M/s. Somani Processors Pvt. Ltd	5,10,000	4.17%	5,10,000	4.17%	Nil
Kusum Jain	3,60,000	2.94%	3,60,000	2.94%	Nil
Padam Kumar Jain	4,29,000	3.50%	4,29,000	3.50%	Nil
Shreyance Jain	3,00,000	2.45%	3,00,000	2.45%	Nil
Padam Kumar Jain HUF	75,000	0.61%	75,000	0.61%	Nil
Ravi Thakurdas Laddha HUF	60,000	0.49%	60,000	0.49%	Nil
Anju Prawin Somani	54,000	0.44%	54,000	0.44%	Nil

Note 2.2 Reserves and Surplus

Particulars	Amount as on 31.03.2025	Amount as on 31-03-2024
Securities Premium Account		
Opening Balance	1,106.40	1,106.40
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised	-	-
Closing Balance	1,106.40	1,106.40
General Reserve	-	-
Capital Reserve	455.98	455.98
	455.98	455.98
Surplus (-Deficit)		
Opening balance	905.26	777.34
(+) Net Profit/(Net Loss) For the current year	53.37	189.12
(+) Transfer from Reserves	-	-
(-) Equity Dividend	-	(61.20)
Closing Balance	958.62	905.26
Total	2,521.00	2,467.64

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.3 Long-Term Borrowings

Particulars	Amount as on 31-03-2025	Amount as on 31-03-2024
Secured		
Term Loans From Banks	596.36	701.56
Less : Current Maturity	(117.87)	(116.44)
Total	478.49	585.12

Terms of repayment

Terms Loan from banks

Secured Loans are repayable in 96 equal monthly installments (EMI) ending on Feb'2032, EMI of Rs. 5.8 Lacs along with interest and having interest rate 9.5%.

Vehicle Loans from Bank

Secured Loans are repayable in 35 to 84 installments (EMI) from the end of reporting period, EMI ranging between Rs. 0.29 to Rs. 0.92 Lacs along with interest and having interest ranging from 7.25% to 9.25%

Unsecured

Loans and advances from related parties

Unsecured From Directors	30.00	-
Unsecured From Relatives	-	-
Unsecured From Bodies Corporate	325.25	185.00
Unsecured from Shareholder	-	-
Total	355.25	185.00

Terms of Repayment

The above unsecured loan is repayable after a period of two years from the Balance Sheet Date.

TOTAL LONG TERM BORROWINGS	833.74	770.12
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Note 2.4 Long term Provision

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Provision for gratuity	27.53	18.65
Total	27.53	18.65

Note 2.5 Short-Term Borrowings

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Current maturities of Long-Term Debt	117.87	116.44
(A) Secured		
(a) Loans repayable on demand		
Cash Credit Account	878.80	297.21

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
(B) Unsecured		
(a) Loans and advances from related parties		
Unsecured From Bodies Corporate	-	38.35
(b) Loans and advances from others		
Unsecured From Bodies Corporate	-	75.00
Total	996.67	527.00

Terms and Security

The Cash Credit Loan from Yes Bank is secured by way of Hypothecation of Inventory and Trade receivables. Further, the Cash credit loan along with Term loan from Yes Bank by way of Equitable mortgage of immovable properties of the company.

Note 2.6 Trade Payables

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Due on account of Goods Purchased & Services Received from Micro Small & Medium Enterprises	167.53	99.40
Due on account of Goods Purchased & Services Received	600.78	509.12
Total	768.32	608.52

Refer Note no. 2.46 for ageing of Trade Payables

Note 2.7 Short term provision

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Provision for doubtful advances/debts	-	-
Provision for Gratuity	0.78	0.43
Provision for Income Tax	2.98	29.75
Total	3.77	30.19

Note 2.8 Other Current Liabilities & Provisions

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Other Payables		
Audit Fees Payable	2.61	2.61
TDS/TCS payable	7.04	10.13
Indirect Taxes Payable	58.62	44.33
Expenses Payable	77.29	98.75
Creditors for Capital goods	43.01	59.33
Advance from Customers	53.84	31.75
Total	242.42	246.91

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.9 Property, Plant, and Equipment (PP&E) as on 31-03-2025

Fixed Assets	Life	Gross Block				Accumulated Depreciation				NET BLOCK	
		Balance as at 1st April 2024	Additions	Transfer of asset	Balance as at 31st March 2025	Balance as at 1st April 2024	Transfer of asset	Depreciation charge for the year	Balance as at 31st March 2025	Net Block as at 31st March 2025	Net Block as at 31st March 2024
TANGIBLE ASSETS											
Own Assets											
Factory Land	-	244.75	178.81	-	423.56	-	-	-	-	423.56	244.75
Factory Shed & Building	15 years	688.29	58.21	-	746.49	293.80	-	40.53	334.32	412.17	394.49
Plant and Machinery	10 & 15 years	2,700.50	1,834.36	-	4,534.86	1,145.03	-	197.22	1,342.25	3,192.61	1,555.47
Office Equipments	10 years	11.08	5.77	-	16.84	4.01	-	1.26	5.26	11.58	7.07
Computers	3 years	15.68	0.32	-	16.01	12.45	-	1.94	14.39	1.62	3.24
Furniture & Fixture	10 years	35.59	23.24	-	58.83	25.52	-	3.43	28.94	29.88	10.07
Vehicles	7 years	138.67	0.80	-	139.47	56.46	-	14.36	70.83	68.64	82.20
Total A		3,834.55	2,101.50	-	5,936.05	1,537.26	-	258.73	1,795.99	4,140.05	2,297.29
Previous Year		3,740.82	128.74	35.00	3,834.56	1,324.53	2.53	215.27	1,537.27	2,297.29	2,416.29
Capital Work In Progress		1,190.61	389.36	1,579.97	-	-	-	-	-	-	1,190.61
Total B		1,190.61	389.36	1,579.97	-	-	-	-	-	-	1,190.61
Previous Year		155.50	1,035.11	-	1,190.61	-	-	-	-	1,190.61	155.50
Total (A+B)		5,025.16	2,490.86	1,579.97	5,936.05	1,537.26	-	258.73	1,795.99	4,140.05	3,487.90
Previous Year		3,896.32	1,163.85	35.00	5,025.17	1,324.53	2.53	215.27	1,537.27	3,487.90	2,571.79

CWIP aging schedule as on 31-03-2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	-	-	-
Project suspended	-	-	-	-	-

CWIP aging schedule as on 31-03-2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	1,035.11	155.50	-	-	1,190.61
Project suspended	-	-	-	-	-

*Depreciation on additions to the PP&E or on PP&E sold, discarded, demolished is being provided on pro-rata basis from the date of addition.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.10 Deferred Tax Assets/(Liability)

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Opening Balance of Deferred Tax Asset/(Liability)	(140.86)	(97.63)
On Account of Deprecation	(23.51)	(4.73)
On Account of Expenses disallowed	20.82	(1.94)
On account of Difference of earlier year	(0.45)	(36.57)
Deferred Tax Assets/(Liability) for the year	(3.14)	(43.23)
Closing Balance of Deferred Tax Asset/(Liability)	(144.00)	(140.86)

Note 2.11 Long-Term Loans and Advances

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Capital Advances		
Unsecured and considered good	15.28	484.66
Total	15.28	484.66

Note 2.12 Non Current Investments

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Deposit with Bank	-	13.20
Other Non-Trade		
a. Equity Instruments (fully paid up-unless otherwise stated)		
Quoted		
Equity Share	1.34	1.34
(TCS Limited 36 Shares(PY 36 Shares)		
Unquoted	-	-
Total	1.34	14.54

Note 2.13 Other Non-Current Assets

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Security Deposits	642.62	573.69
Prepaid Expenses (Non-Current)	7.74	11.88
Total	650.36	585.57

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.14 Inventories

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
a. Raw Materials (Valued at Average Cost)	531.06	445.42
b. Finished goods (Valued at Lower of Cost or NRV)	822.96	347.49
c. Semi Finished Goods (Valued at Lower of Cost or NRV)	6.27	1.14
d. Stock in Trade (Valued at Lower of Cost or NRV)	112.07	32.50
e. Stores and Consumables (Valued at Average Cost)	105.19	96.12
f. By- products (Valued at NRV)	30.68	29.06
f. Stock of Foundry Rejects (Valued at NRV)	13.52	40.54
g. Stock in Transit (Valued at Average cost)	9.50	-
Total	1,631.23	992.26

Note 2.15 Trade Receivables

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Trade receivables outstanding for a period less than six months		
Unsecured, considered good (less than 6 months)	155.95	159.29
Unsecured, considered doubtful (less than 6 months)		
Trade receivables outstanding for a period more than six months		
Unsecured, considered Good (More than 6 months)	11.77	3.22
Unsecured, considered Doubtful (More than 6 months)	-	4.75
Less:		
Provision for Doubtful Debts	(1.63)	(5.79)
Total	166.09	161.46

Refer Note no. 2.47 for ageing of Trade Receivables.

Note 2.16 Bank, Cash & cash equivalents

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
a. Cash and cash equivalents		
Cash in hand	2.41	5.61
Balances with banks	3.15	97.58
Deposits with Bank (Having Maturity period less than 3 Month)	-	-
Total	5.56	103.19

Note- Balance with Banks include Unpaid dividend amount of Rs. 31,512/- (PY Rs. 32,700/-)

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.17 Short term Loans & Advances

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Unsecured, Considered Good		
Loans & Advances to other	-	50.00
Advance to Staff	0.39	2.60
Advances for expenses (With Director)	0.91	1.51
Indirect Taxes Receivable	9.05	3.59
TDS/TCS Receivable	0.30	1.71
Advance to Suppliers		
Others (Unrelated)	72.76	71.44
Less: Provision for Doubtful advances	-	-
Total	83.41	130.86

Note 2.18 Other Current Assets

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Appeal Agt. Case No.15 (IGST)	-	0.85
Deposit with BSE Ltd	12.96	12.96
Other Deposits (EMD)	7.73	10.73
Interest Accrued But Not Due (FD)	-	4.78
Prepaid Expenses	11.18	12.16
Interest On SD CSPDCL Receivable	35.85	31.21
Interest Receivable	-	0.38
Electricity Surcharge Receivable	0.33	0.29
Other Receivables	0.07	0.07
Total	68.12	73.44

Note 2.19 Revenue From Operations

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
(a) Revenue from sale of products	7,221.38	8,788.86
(i) Revenue from Manufactured Goods	6,500.53	8,370.19
(ii) Revenue from Traded Goods	720.85	418.67
(b) Revenue from Services	6.26	5.54
Revenue from Freight Services	1.74	4.18
Revenue from Service Charges	4.52	1.36
Total	7,227.64	8,794.39

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.20 Other Income

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Interest Income	41.84	63.42
Other Income	7.97	34.99
Total	49.81	98.41

Note 2.21 Cost Of Material Consumed

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Opening Stock of Raw Material	485.96	450.20
Purchase of Materials	2,231.54	3,017.13
Less: Closing Stock of Raw Material	(544.58)	(485.96)
Less: Disposal as such	(30.14)	(38.39)
Total	2,142.78	2,942.98

Broad heads of Raw Material Consumed:

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Iron Based	1,330.62	1,791.70
Coal Based	751.11	918.04
Other	61.04	233.23
Total	2,142.78	2,942.97

Note 2.22 Changes in Inventories of Finished Goods and WIP

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Inventory at the beginning of the year		
Finished Goods (Valued at Lower of Cost or NRV)	109.26	210.46
Semi Finished Goods	1.14	1.20
Traded Goods (Valued at Lower of Cost or NRV)	-	8.97
Traded goods (FYD)	32.50	-
By Products (Valued at NRV)	29.06	-
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	238.23	298.14
	410.18	518.78
Inventory at the end of the year		
Finished Goods CI Lumps (Valued at Lower of Cost or NRV)	420.56	109.26
Stock of Traded goods	-	-
Stock of Traded goods (FYD)	112.07	32.50
By Products (Valued at NRV)	30.68	29.06
Semi Finished Goods	6.27	1.14
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	411.89	238.23
	981.47	410.18
(Increase)/Decrease In Inventory	(571.29)	108.59

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.23 Purchases Stock in Trade

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Purchases Stock in Trade	785.65	515.68
Total	785.65	515.68

Note 2.24: Production Related Direct Expenses

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Power Charges	2,967.63	3,304.21
Production & Handling Charges	279.69	117.69
Consumption of Stores & Consumables	602.35	669.14
Grand Total	3,849.67	4,091.04

Note 2.25: Employee Benefit Expenses

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Salary & Wages	391.72	376.63
Contribution to Provident and Other Funds	29.26	27.06
Staff Welfare expenses	3.71	4.67
Gratuity	9.70	6.65
Total	434.39	415.02

Note 2.26: Finance costs

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Interest expenses	109.51	89.76
Bank Charges	3.70	2.85
MSME Interest Expenses	0.69	-
Total	113.89	92.61

Note 2.27 Other Expenses

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Audit Fees	3.50	2.90
Tax Audit Fees	-	0.50
Travelling & Conveyance	12.25	23.29
Donation	0.50	17.45
Fees & Taxes	8.70	9.31
GST Expenses	8.54	-
Director Sitting Fees	2.70	3.80
Inspection Charges	-	6.01
Insurance Charges	8.61	8.04
Legal & Professional Expenses	1.49	1.14

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
Lease Rent	0.55	0.96
Printing & Stationery	2.19	1.27
Repair & Maintenance of Furniture & Fixture Office Equipments	2.48	2.34
Repair & Maintenance of Factory Shed & Building	9.11	1.63
Running , Repair & Maintenance Of Vehicle	16.12	12.91
Miscellaneous Expenses	42.49	31.76
Selling Expenses	68.31	75.60
Prior Period expenses	0.87	1.77
Total	188.41	200.67

Note 2.28 Earnings Per Equity Share

Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	53.37	189.12
Weighted Average number of equity shares for Earnings per Share computation	1,22,40,000	1,22,40,000
1. For Basic Earnings per Share of Rs. 10 each	1,22,40,000	1,22,40,000
2. For Diluted Earnings per Share of Rs. 10 each	1,22,40,000	1,22,40,000
Earnings per Share		
Basic	0.44	1.55
Diluted	0.44	1.55

Note 2.29 Contingent Liabilities and Commitments

Nature of Transactions	Amount as on 31.03.2025	Amount as on 31.03.2024
Contingent Liability not provided for in respect of :-		
Employee Provident Fund (The Honourable Supreme court has passed a decision on 28th February 2019 in relation to the inclusion of certain allowances within the scope of "Basic Wages" for the purpose of determining the contribution to Provident Fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of judgement on the Company, with respect to the period and the nature of allowances to be covered and the resultant impact on the past provident fund liability cannot be reasonably ascertained, at present)	Amount unascertainable	Amount unascertainable
Addition u/s 147 rws 144B of Income Tax Act for FY 2013-14. Company has preferred appeal against the said addition before CIT(Appeals) and further there would not be any tax outflow even in case of any adverse decision	25.00	25.00

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Nature of Transactions	Amount as on 31.03.2025	Amount as on 31.03.2024
Outstanding Demand u/s 143(1)(a) of Income Tax Act, 1961 of Rs 48300 on account of Inconsistency of Interest disallowable under section 23 of the MSMED Act, 2006 and sum received from employees as contribution to any provident fund or any fund set up under ESI Act for the welfare of employees to the extent not credited to the employees account on or before the due date, as specified in return & in audit report.	0.48	-
The company has filed an appeal before the Appellate Authority, Chhattisgarh dated 22.03.2021 having appeal no. AD220321002868G against the order dated 29.12.2020 for an amount of Rs. 20,79,065/- . The appeal is disposed off through a Rectification order passed on 26.10.2021 when the demand has been upheld and only interest is reduced to 10% of the penalty amount as per Sec 73(9) of the Act. Thus, the amount payable is Rs. 13,10,637/-. The company has filed application for waiver in FORM GST SPL - 02 and paid Tax amount Rs. 7,68,369 for complete disposal of appeal. The same has been approved.	-	13.11
The company received the reminder Show Cause Notice dated 18.07.2022 against the scrutiny of Tran-1 under which company claimed credit of Vat carried forward in the return as SGST Credit. The company has submitted its reply along with all the necessary documents on 13.09.2022 for the satisfaction of the notice. The matter is pending adjudication.	16.55	16.55
Guarantee :-		
Bank Guarantees issued	NIL	13.20
Guarantees to Bank & Financial Institutions against credit facilities extended to third parties		
(a) In respect of joint ventures	NIL	NIL
(b) In respect of others	NIL	NIL
Other Money for which the company is contingently liable	NIL	NIL
Commitments		
Amount of contracts for purchase of capital Goods	-	568.62
Less: Amount paid to supplier for capital goods	-	(484.66)
Total	-	151.82

Note 2.30: RELATED PARTY TRANSACTIONS

(A) Key Management Personnel & their Relative

1. Rajesh Somani	Whole Time Director
2. Prawin Somani	Whole Time Director
3. Ravi Thakurdasji Laddha	Non Executive Director
4. Padam Kumar Jain	Promoter
5. Shreyance Jain	Promoter Group
6. Padma Somani	Whole Time Director
7. Anju Somani	Relative of KMP

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

8. Swati Laddha	Relative of Non Executive Director
9. Utsabanand Nath	CFO
10. Akshat Sharma	Company Secretary (wef 01-09-2023)
11. Surenda Kumar Jain	Independent Director
12. Vinod Kumar Arora	Independent Director
13. Ravi T Laddha HUF	Promoter Group

(B) Enterprise over which Key Management Personnel & Their Relative have control

1. Ayush Steelco Pvt Ltd
2. Shree Balaji Iron and Steel Traders
3. Somani Processors P Ltd
4. Chhattisgarh Metaliks & Alloys P Ltd
5. Mosh Varaya Infrastructure Ltd
6. Jaiguru Vintrade Pvt.Ltd
7. Srikar Innovative Industries Private Limited
8. Bhilai Foundry Feeders

Transaction with Related Parties

Nature of Transactions	For the period ended 31st March 2025	For the period ended 31st March 2024
Transactions With (A) above		
- Loan received	30.00	-
- Loan repaid	-	17.84
- Expense made on behalf of company	5.11	5.75
- Expense Amount Reimbursed	4.46	5.56
- Interest expense on Loan taken	-	1.51
- Advance for Land given	-	107.65
- Purchase of Land	178.81	-
- Salary Paid	67.52	67.15
- Director Sitting fee paid	2.70	3.80
Transactions With (B) above		
- Loan received	320.00	589.00
- Loan repaid	238.23	955.22
- Purchase of Goods and services	674.50	162.52
- Sale of Goods and services	74.05	67.09
- Interest on unsecured loan	20.13	40.87
Balance with (A) Above		
- Loans & Advances Payable		
- Director Sitting fee payable	30.00	-
- Salary payable	2.43	2.88
- Imprest amount Receivable	4.24	4.06
- Imprest amount payable	0.91	1.51

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Nature of Transactions	For the period ended 31st March 2025	For the period ended 31st March 2024
Balance with (B) Above		
- Loans & Advances Payable	325.25	223.35
- Other Payables	141.99	6.94

Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

Particulars	FY 2024-25	FY 2023-24
a. Loan received		
Mosh Varaya Infrastructure Ltd	275.00	550.00
Chhattisgarh Metaliks & Alloys P Ltd	37.00	-
Rajesh Somani	30.00	-
Shri Balaji Iron & Steel Traders	8.00	-
b. Loan repaid		
Mosh Varaya Infrastructure Ltd	210.00	954.57
Chhattisgarh Metaliks & Alloys P Ltd	17.49	-
Jaiguru Vintrade Pvt.Ltd	2.74	-
Shri Balaji Iron & Steel Traders	8.00	-
c. Expense made on behalf of company		
Rajesh Somani	2.38	3.84
Prawin Somani	0.92	1.91
Chhattisgarh Metaliks & Alloys P Ltd	-	0.98
Utsabanand Nath	1.80	-
d. Expense Amount Reimbursed		
Rajesh Somani	2.55	3.25
Prawin Somani	0.32	2.31
Chhattisgarh Metaliks & Alloys P Ltd	-	0.98
Utsabanand Nath	1.60	-
e. Interest paid		
Mosh Varaya Infrastructure Ltd	15.44	40.30
Chhattisgarh Metaliks & Alloys P Ltd	3.62	-
Jaiguru Vintrade Pvt.Ltd	1.06	-
f. Advance for Land Given		
Prawin Somani	-	107.65
g. Purchase of Immovable property		
Prawin Somani	178.81	-
h. Salary Paid		
Rajesh Somani	11.15	11.15
Prawin Somani	17.06	17.06
Padma Somani	11.15	11.15
Swati Laddha	11.15	11.15
Utsabanand Nath	11.45	9.50
Akshat Sharma	5.56	-

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Particulars		FY 2024-25	FY 2023-24
i.	Director Sitting Fees Paid		
	Ravi Thakurdasji Laddha	0.80	1.20
	Surenda Kumar Jain	1.10	1.40
	Vinod Kumar Arora	0.80	1.20
j.	Purchase of Goods and services		
	Somani Processors P Ltd	0.17	3.27
	Srikar Innovative Industries Private Limited	559.60	70.23
	Mosh Varaya Infrastructure Ltd	70.61	24.01
	Bhilai Foundry Feeders	44.12	65.00
k.	Sale of Goods and services		
	Bhilai Foundry Feeders	20.28	-
	Srikar Innovative Industries Private Limited	53.77	67.06

Note 2.31: Payment to Auditors

	FY 2024-25	FY 2023-24
1. Statutory Audit Fees	3.50	3.00
2. Tax Audit	0.50	0.50
3. Certification and Other Fees	-	0.93
Total	4.00	4.43

Note 2.32

The balances of certain Debtors, Creditors, Loans & Advances are subject to external confirmation. In the opinion of the management, the Current Assets, Loans & Advances have a realizable value which is in the ordinary course of business at least equal to the amount at which they are stated unless indicated elsewhere in the document.

Note 2.33

Currently no Earned leaves are accrued in the hands of Employees as on 31.03.2025 which needs recognition as employee retirement benefits in the accounting period 2024-25 as company is not having policy of accumulating Earned leave. All such utilised leave are lapsed at the end of year. Gratuity provision has been made in current year on the basis of Actuarial valuation report.

Provision has been made for Employees Benefits i.e. Gratuity and Leave Encashment in accordance with AS-15 on the basis of actuarial valuation of the company and Power generation unit acquired through slump sale has been taken separately. The figures below represent liability as applicable. The following information is disclosed in terms of Accounting Standard 15 issued by the ICAI:-

Summary of membership data at the date of valuation and statistics based thereon:

Period	Amount as on 31-03-2025	Amount as on 31-03-2024
Number of employees	145	163
Total monthly salary	15.92	14.28
Average Past Service(Years)	3.05	2.26
Average Future Service (yr)	22.15	24.21
Average Age(Years)	37.85	35.79
Weighted average duration (based on discounted cash flows) in years	14.19	15.29
Average monthly salary	0.11	0.09

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

The assumptions employed for the calculations are tabulated:	Amount as on 31-03-2025	Amount as on 31-03-2024
Discount rate	6.84% per annum	7.22% per annum
Salary Growth Rate	7.00% per annum	7.00% per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	-	-
Withdrawal rate (Per Annum)	5.00% pa	5.00% pa

Benefits valued:	Amount as on 31-03-2025	Amount as on 31-03-2024
Normal Retirement Age	60 Years	60 Years
Salary for Gratuity	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period for Gratuity	5 Years of service	5 Years of service
Benefits on Normal Retirement for Gratuity	15/26 * Salary * Past Service (yr).	15/26 * Salary * Past Service (yr).
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply

Current Liability (Expected payout in next year as per schedule III of the Companies Act, 2013):

Particulars	Amount as on 31-03-2025	Amount as on 31-03-2024
Current Liability (Short Term)	0.78	0.43
Non Current Liability (Long Term)	27.53	18.65
Total Liability	28.31	19.08

Note 2.34: Micro, Small And medium Development Act 2006 (MSMED Act):

Particulars	Amount as on 31-03-2025	Amount as on 31-03-2024
The principal amount remaining unpaid at the end of the year.	167.53	101.18
The interest amount remaining unpaid at the end of the year.	0.87	0.18
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act'2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
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'2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.87	0.18
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act'2006.	-	-

Note:- Identification of micro and small enterprises is done on the basis of intimation received from vendors.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.35: Other Disclosures

Particulars	Amount as on 31-03-2025	Amount as on 31-03-2024
1) Value of Imports calculated on CIF basis by the Company during the Financial year in respect of Raw Material, Components and Capital Goods	8.76	NIL
2) Expenditure in Foreign Currency during the FY on account of Royalty Know How, Professional and Consultation fees, Interest and other matters	NIL	10.48
3) Total Value of all Imported Raw Materials, Spare Parts and Consumables consumed as % of Indigenous Raw Materials, Spare Parts and Components with Values	8.76	NIL
4) Amount remitted in Forex as Dividends	NIL	NIL
5) Earnings in Foreign Exchange	27.00	35.25

Note 2.36 Segment-Wise Revenue Results :

Basis of preparation :

Basis of preparation :

- The Company's operations predominantly relate to manufacturing, generation and sale of Iron and Steel products. The risks and rewards associated with these two businesses are significantly different. Therefore, the primary segment consists of "Submerged Arc Furnance" and "Foundry".
- The geographic segments identified as secondary segments are "Submerged Arc Furnance" and "Foundry". Since there is no export market revenue, the same has not been disclosed. The entire capital employed is within India.

For year ended on 31-03-2025

Particulars	Submerged Arc Furnance	Foundry	Total
Revenue			
Sales	5,446.63	1,781.01	7,227.64
External Turnover (Gross)			
Inter-segment Transfer			
Eliminations			
Total Revenue	5,446.63	1,781.01	7,227.64
Segment Result	(289.78)	529.08	239.31
Unallocated Corp. (Exp.)/Income	-	-	(59.52)
(+) Interest Income	-	-	9.33
(+) Other Income	-	-	-
(-) Financial Cost	-	-	(113.89)
(-) Income Taxes	-	-	-
(-) Deferred Taxes	-	-	-
(-) Mat Credit Adjustment	-	-	-
(-) Exceptional Item	-	-	-
Net Profit	(289.78)	529.08	75.22
Other Information			
Segment Assets	4,231.83	1,466.72	5,698.55
Unallocated Corporate Assets	-	-	1,062.89
Total Assets	4,231.83	1,466.72	6,761.44
Segment Liabilities (Outsider)	1,141.67	223.98	1,365.65
Unallocated Corporate Liabilities	-	-	1,650.79

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Particulars	Submerged Arc Furnace	Foundry	Total
Total Liabilities	1,141.67	223.98	3,016.44
Depreciation	160.07	84.30	244.37
Unallocated Depreciation	-	-	14.36
Non cash Exp. other than Dep.	-	-	-
For year ended on 31-03-2024			
Particulars	Submerged Arc Furnace	Foundry	Total
Revenue			
Sales	7,171.96	1,622.43	8,794.39
External Turnover (Gross)			
Inter-segment Transfer			
Eliminations			
Total Revenue	7,171.96	1,622.43	8,794.39
Segment Result	104.03	249.44	353.47
Unallocated Corp. (Exp.)/Income			(48.31)
(+) Interest Income			63.42
(+) Other Income			34.99
(-) Financial Cost			(92.61)
(-) Income Taxes			(78.61)
(-) Deferred Taxes			(43.23)
(-) Mat Credit Adjustment			-
(-) Exceptional Item			-
Net Profit	104.03	249.44	189.12
Other Information			
Segment Assets	3,516.97	1,357.73	4,874.70
Unallocated Corporate Assets			1,159.18
Total Assets	3,516.97	1,357.73	6,033.88
Segment Liabilities (Outsider)	1,121.47	124.21	1,245.68
Unallocated Corporate Liabilities			1,096.56
Total Liabilities	1,121.47	124.21	2,342.24
Depreciation	120.34	81.78	202.12
Unallocated Depreciation			13.14
Non cash Exp. other than Dep.			

Note 2.37 Corporate Social Responsibility

Provisions of Corporate Social Responsibility as per Sec 135 of Companies Act, 2013 are not applicable to the company in FY 2024-25. Details relates to previous year (FY 2023-24).

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Gross amount required to be spent by the company during the year	-	15.90
Amount approved by the Board to be spent during the year	-	15.90
Amount spent during the year on: (in Rs.)	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	15.90
Details of related party transactions, e.g., contribution to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures	-	Nil

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.38: Transaction with Struck off companies

The company has not entered into any transactions with companies which are Struck-off under section 248 of the Companies Act, 2013.

Note 2.39: Immovable property with title deed not in the name of Company

The detail of Immovable property whose title deed is not held in the name of the company is as below:

Particulars	Details
Description of property	Land
Gross carrying value	Rs. 178.81 Lakhs
Held in the name of	Prawin Somani
Whether promoter, director or their relative or employee	Whole Time Director
Period held – indicate range, where appropriate	FY 2024-25
Reason for not being held in name of company*	The Registry of Land is pending as the diversion of land for non-agricultural use is pending.

Note 2.40: Dealing in Virtual Digital assets

The company has not traded or invested in cryptocurrency or virtual currency during the reporting period.

Note 2.41: Proceedings under Benami Transactions (Prohibition) Act

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 2.42: No classification as Wilful Defaulter by Bank

The company has not been declared as a wilful defaulter by any bank or Financial Institutions or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

Note 2.43: Compliance of Scheme of arrangement

During the year, Company has not applied for any scheme of arrangement with NCLT and no previous compliances are pending as on the year end.

Note 2.44: Loans or Advances - Additional Disclosures

The Company has not given any loans and advances to its Promoter, Directors, KMP's and other related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.

Note 2.45: Security of current assets against borrowings

The quarterly statements of current assets filed with banks or financial institution are in agreement with the books of account.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.46: Disclosure related to trade payable ageing schedule in FY 2024-25

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 year	1 year to 2 years	2 years to 3 years	more than 3 year	
MSME	167.34	-	-	0.19	167.53
Others	574.23	1.33	4.25	20.37	600.18
Disputed - MSME	-	-	-	-	-
Disputed - Other	-	-	-	0.60	0.60
Total	741.58	1.33	4.25	21.16	768.32

Disclosure related to trade payable ageing schedule in FY 2023-24

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 1 year	1 year to 2 years	2 years to 3 years	more than 3 year	
MSME	99.21	-	0.19	-	99.40
Others	485.45	4.42	17.30	1.34	508.51
Disputed - MSME	-	-	-	-	-
Disputed - Other	-	-	-	0.60	0.60
Total	584.67	4.42	17.49	1.94	608.52

Note 2.47: Details of ageing of trade receivables as on 31-03-2025

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	more than 3 year	
Undisputed trade receivable -Considered good	155.95	10.14	-	-	-	166.09
Undisputed trade receivable -Considered Doubtful	-	-	1.63	-	-	1.63
Disputed trade receivable -Considered good	-	-	-	-	-	-
Disputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Total	155.95	10.14	1.63	-	-	167.72

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Details of ageing of trade receivables as on 31-03-2024:

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	more than 3 year	
Undisputed trade receivable -Considered good	159.29	2.93	0.19	1.65	3.19	167.25
Undisputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Disputed trade receivable -Considered good	-	-	-	-	-	-
Disputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Total	159.29	2.93	0.19	1.65	3.19	167.25

Note 2.48: Ratio Analysis

Particulars	Parameters of Calculation	31-03-2025	31-03-2024	% of variance
Current ratio	Current Assets/Current Liabilities	0.97	1.03	-6%
Debt- Equity Ratio	Total Debt/ Shareholder's Equity	0.49	0.35	39%
Debt Service Coverage ratio	(Net profit after taxes + Non-cash operating expenses)/(Interest & Lease Payments + Principal Repayments)	0.00	2.99	-100%
Return on Equity ratio	PAT/ Average Shareholder's Fund	0.01	0.05	-72%
Inventory Turnover ratio	Total Income/ Average Inventory	5.51	8.56	-36%
Trade Receivable Turnover Ratio	Total Income/ Average Receivables	44.13	34.43	28%
Trade Payable Turnover Ratio (Services Procured)	Net Purchases/ Avg. Trade payable	4.38	6.03	-27%
Net Capital Turnover Ratio	Total Income/ Average Working capital	-1,769.34	18.79	-9518%
Net Profit ratio	PAT/ Total Income	0.01	0.02	-66%
Return on Capital Employed	EBIT/Average Capital Employed	0.01	0.08	-83%
Return on Investment	Income generated from invested funds / avg. invested funds	NA	NA	NA

Reason for Variance over 25%:

Debt- Equity Ratio- Debt- Equity Ratio has increased due to increase in borrowings during current year.

Debt Service coverage Ratio- Debt service coverage ratio has decreased on account of decrease in profitability in current year.

Return on Equity Ratio- Return on equity ratio has been reduced in current year on account of decrease in profitability in current year .

Inventory Turnover ratio- Inventory Turnover ratio has decreased due to decrease in sales and increase in inventory.

Trade Receivable turnover Ratio- Trade Receivable Turnover Ratio has increased due to decrease in sales.

Trade Payable turnover Ratio- Trade payable ratio has been reduced in current period on account of decrease in purchase in the current year.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Net Capital Turnover Ratio- Net Capital Turnover Ratio has reduced due to decrease in average working capital

Net Profit Ratio- Net profit ratio has decreased in current year on account of decrease in margin.

Return on Capital Employed- Return on Capital employed is on lower side in current period due to decrease in earnings during the year.

Note 2.49: Utilization of money raised by way of Initial public offerings

During the year FY 2022-23, the Company had completed Initial Public Offer (IPO) of 32,40,000 Equity Shares of the face value of Rs. 10/- each at an issue price of Rs. 40/- per Equity Share, comprising fresh issue of 32,40,000 equity shares. The Equity Shares of the Company were listed on February 08, 2023 on BSE Limited. The total IPO expenses incurred 132.42 lacs (exclusive of taxes) have been proportionately allocated between capital expenditure and revenue expenditure. The details of utilisation of IPO proceeds are as under:

Object of the issue	Total amount as per Prospectus	Total utilized up to March 31, 2024	Balance unutilized
Funding Capital expenditure towards change in electricity supply voltage from 33 KV to 132 KV at manufacturing facility located at Village Duldula, Baloda Bazaar (CG)	944.45	944.45	-
To meet working capital requirements	100.00	100.00	-
General Corporate Purpose	119.13	119.13	-
To meet issue related expenses	132.42	132.42	-
Total	1,296.00	1,296.00	-

Note 2.50: Utilisation of Borrowed funds and share premium:

Utilisation of Borrowed funds and share premium:

- (i) The Company has not given any advance or loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) 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:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year 2024-25

Amount in ₹ Lakhs

Note 2.51: Registration of charges or satisfaction with Registrar of Companies

There are charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period. Details are as: Charge not created in following cases:

Bank	Type of Loan	Amount	Date of Sanction
YES Bank - Car	Car Loan	41.75	21-11-2022
HDFC Bank - Hydra	Equipment Loan	15.00	29-07-2021
HDFC Bank - Excavator	Equipment Loan	37.72	01-09-2022

Note 2.52: Regrouping of Balances

The previous year figures have been regrouped and/or rearranged and/or reworked and/or reclassified wherever necessary to correspond with the current period classification/disclosure.

As per our report of even date attached herewith

For, M/s O P BAGLA & CO. LLP

Chartered Accountants
FRN: 000018N/N500091

CA Atul Aggarwal

Partner
M. No 092656
UDIN:25092656BMLJNC7048
Date: 29.05.2025
Place: New Delhi

For & on behalf of the Board of Directors

Rajesh Somani

Whole Time Director
DIN-01719930

Prawin Somani

Whole Time Director
DIN-01143972

Utsabanand Nath

Chief Financial Officer
Date: 29-05-2025
Place: Raipur

Akshat Sharma

Company Secretary



Earthstahl & Alloys Ltd

CIN: L27310CT2009PLC021487

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