Building blocks of growth

Earthstahl & Alloys Ltd

ANNUAL REPORT 2025-26

Corporate Information

Board of Directors

Mrs. Padma Somani
Whole-time Director

Mr. Prawin Somani
Whole-time Director

Mr. Rajesh Somani
Whole-time Director

Mr. Ravi Thakurdasji Laddha
Non-Executive Director

Mr. Surendra Kumar Jain
Independent Director (Chairman)

Mr. Vinod Arora
Independent Director

KMP's

Mr. Utsabanand Nath
Chief Financial Officer

Mr. Ankit Dewangan
Company Secretary & Compliance Officer

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,
Orrange 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 & Share Transfer Agent

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

Notice

NOTICE is hereby given that the 17th Annual General Meeting ("AGM") of the members of Earthstahl & Alloys Limited will be held on 29th September 2026 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 2026 along with the reports of the Board of Directors and Auditors thereon.

Item no. 2: Appointment of Mr. Prawin Somani, Whole-Time Director, liable to retire by rotation.

To appoint a director in place of Mr. Prawin Somani (DIN: 01143972), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for reappointment.

Item no. 3: Appointment of Mr. Rajesh Somani, Whole-Time Director, liable to retire by rotation.

To appoint a director in place of Mr. Rajesh Somani (DIN: 01719930), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for reappointment.

Item no. 4: Appointment of Mrs. Padma Somani, Whole-Time Director, liable to retire by rotation.

To appoint a director in place of Mrs. Padma Somani (DIN: 01719952), who retires by rotation at this Annual General Meeting and being eligible, has offered herself for reappointment.

SPECIAL BUSINESS

Item no. 5: Re-Appointment of Mr. Prawin Somani, WTD, for another term of 5 years.

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

"RESOLVED THAT, pursuant to the provisions of Section 196, 197, and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification(s) thereof or supplements thereto ("SEBI Listing Regulations") and the Articles of Association of the Company, Mr. Prawin Somani (DIN: 01143972) be and is hereby re-appointed as Whole time Director of the Company for a period of Five years with effect from 1st April, 2027, liable to retire by rotation, on such terms and conditions as set out in the Statement annexed to the notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty given to the Board of Directors/Nomination & Remuneration Committee to alter and vary the terms and conditions of the said appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Prawin Somani, provided however, such alterations are within the maximum limits approved by the members / laid down in the Companies Act, 2013 for the time being in force.

RESOLVED FURTHER THAT remuneration payable to Mr. Prawin Somani, may exceed five percent of the net profits of the Company in any financial years and that the aggregate remuneration payable to him as well as other Executive Director of the Company may exceed ten percent of the net profits of the Company in any of the financial year and the overall remuneration to all the directors may exceed eleven percent of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 in any of the financial years.

Item no. 6: Re-Appointment of Mr. Rajesh Somani, WTD, for another term of 5 years.

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

"RESOLVED THAT, pursuant to the provisions of Section 196, 197, and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel)

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Rules, 2014 including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification(s) thereof or supplements thereto ("SEBI Listing Regulations") and the Articles of Association of the Company, Mr. Rajesh Somani (DIN: 01719930) be and is hereby re-appointed as Whole time Director of the Company for a period of Five years with effect from 1st September, 2027, liable to retire by rotation, on such terms and conditions as set out in the Statement annexed to the notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty given to the Board of Directors/Nomination & Remuneration Committee to alter and vary the terms and conditions of the said appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Rajesh Somani, provided however, such alterations are within the maximum limits approved by the members / laid down in the Companies Act, 2013 for the time being in force.

RESOLVED FURTHER THAT remuneration payable to Mr. Rajesh Somani, may exceed five percent of the net profits of the Company in any financial years and that the aggregate remuneration payable to him as well as other Executive Director of the Company may exceed ten percent of the net profits of the Company in any of the financial year and the overall remuneration to all the directors may exceed eleven percent of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 in any of the financial years.

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

Dated: 14/08/2026
Place: Simga (C.G.)

Ankit Kumar Dewangan
Company Secretary

Registered Office:
Duldula Village, Simga Tehsil,
Baloda Bazar, Chhattisgarh-493101

Notes:

1. Pursuant to General Circular nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022 and Subsequent circulars issued by the Ministry of Corporate Affairs ("MCA") in this regards, Latest being General Circular No. 03/2025 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 17th 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 2025-26 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 17th Annual General Meeting along with the Annual Report for the year 2025-26 will also be available on the website of the Company www.earthstahl.com.

Notice

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 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 http://www.earthstahl.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at http://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 17th 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.

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14. The remote e-voting period commences on **Saturday, 26th September 2026 (9.00 a.m. IST) and ends on Monday, 28th September 2026 (5.00 p.m. IST). The Members of the Company, holding shares, as on the cut-off date i.e. Tuesday, 22nd September 2026**, 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., **Tuesday, 22nd September 2026** 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.
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 http://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. 29th September, 2026.
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, 26th September 2026 (9.00 a.m. IST) and ends on Monday, 28th September 2026 (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 Tuesday, 22nd September 2026 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.

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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. 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 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.
Individual Shareholders holding securities in demat mode with **NSDL**	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.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

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	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (E-voting website) for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.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 an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on investor portal.

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

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

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

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

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- 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).

- 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/EGM 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.

Notice

EXPLANATORY STATEMENT – Annexure to Notice

(Pursuant to Section 102 of the Companies Act 2013)

The following Statement sets out all the material facts relating to Item No. 5 to 6 mentioned in the accompanying Notice:

Item No. 5

Mr. Prawin Somani, aged 52 years is the Promoter and Whole-Time Director of our Company. He has been on the Board of Directors of our Company since incorporation. He has work experience of around 22 years in the Metal Industry. He is in charge of Production and procurement for the company. He is playing a vital role in formulating business strategies and effective implementation of the same.

On the recommendation of Nomination and Remuneration Committee and subject to approval of members in General Meeting, the Board of directors at their meeting dated 14th August, 2026, have recommended the Re-appointment of Mr. Prawin Somani, as Whole Time Director of the Company for another period of Five years with effect from 1st April, 2027, liable to retire by rotation, on such terms and conditions as set out in this explanatory Statement annexed to the notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty given to the Board of Directors/Nomination & Remuneration Committee to alter and vary the terms and conditions of the said appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Prawin Somani, provided however, such alterations are within the maximum limits approved by the members / laid down in the Companies Act, 2013 for the time being in force.

Pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/ no profits, May by special resolution pay remuneration exceeding five percent of the net profits of the Company in any financial years and that the aggregate remuneration payable to him as well as other Executive Director of the Company may exceed ten percent of the net profits of the Company in any of the financial year and the overall remuneration to all the directors may exceed eleven percent of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 in any of the financial years.

THAT remuneration payable to Mr. Prawin Somani, may exceed five percent of the net profits of the Company in any financial years and that the aggregate remuneration payable to him as well as other Executive Director of the Company may exceed ten percent of the net profits of the Company in any of the financial year and the overall remuneration to all the directors may exceed eleven percent of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 in any of the financial years.

Basic Salary	:	Such sum as may be approved by the Board/ NRC, within the scale of Rs. 50,000/- to 2,00,000/- p.m. The increment will be merit based and take into account the company's performance.
Variable Allowance	:	Such sum as may be approved by the Board/ NRC, subject to a maximum of Rs. 9,00,000/- per annum. This shall be in addition to the salary.
Perquisites	:	In addition to the Salary and Variable allowance, within the overall ceiling of 100% of the annual salary, Mr. Prawin Somani will be entitled to such perquisites in such form and manner as the Board of Directors of the Company may decide, including but not restricted to the following:
		a) Furnished accommodation; or
		b) House Rent Allowance, Helper
		c) Medical expenses and medical insurance for self and family
		d) Corporate Attire
		e) Books and periodicals
		and such other perquisites and allowance in accordance with the Rules of the Company or as may be agreed by the Board of Directors.

		For the purpose of calculating the ceiling of 100% as mentioned above, perquisites shall be evaluated as per the Income Tax Rules, 1962, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.
		Provision for use of Company's car, internet connectivity and telephone at residence (including payment of local calls and long-distance official calls) shall not be included in the computation of perquisites for the purposes of calculating such ceiling.
		Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act, 1961, Gratuity payable, and encashment of leave at the end of the tenure shall not be included in the computation of limits for remuneration or perquisites as aforesaid.
		Note- Family' for the purpose shall mean the spouse and the dependent children of Mr. Prawin Somani.
Minimum Remuneration	:	Notwithstanding the above, in any financial year during the currency of term of office of Mr. Prawin Somani, the Company has made no profits or its profits are inadequate, the Company shall pay salary and perquisites and allowances as specified above to Mr. Prawin Somani.
Commission	:	In addition to salary, variable allowance and perquisites payable, Mr. Prawin Somani will be entitled to commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board of the Directors the company at the end of each financial year, subject to the overall ceiling, if any, stipulated in the Companies Act, 2013.

Except Mr. Prawin Somani, Rajesh Somani and Padma Somani, their relatives and also the promoters/promoter group, no other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution set out at Item No. 5 of the Notice.

The Board commends the Special Resolution set out at No. 5 of the Notice for approval by the shareholders.

Item No. 6

Rajesh Somani, aged 57 years is the Promoter and Whole-Time Director of our Company. He possesses around 30 years of experience in the iron and steel industry. He has been on the Board of Directors of our Company since incorporation. He completed his graduation in Commerce from Nagpur University in the year 1993. He has played a vital role in setting up the business of our Company. He primarily looks after the marketing activities of the company. He also looks after functions such as finance and compliance matters in our Company. He is responsible for the overall management of the business of our Company.

On the recommendation of Nomination and Remuneration Committee and subject to approval of members in General Meeting, the Board of directors at their meeting dated 14th August, 2026, have recommended the Re-appointment of Mr. Rajesh Somani, as Whole Time Director of the Company for another period of Five years with effect from 01st September 2027, liable to retire by rotation, on such terms and conditions as set out in this explanatory Statement annexed to the notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty given to the Board of Directors/Nomination & Remuneration Committee to alter and vary the terms and conditions of the said appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Mr. Rajesh Somani, provided however, such alterations are within the maximum limits approved by the members / laid down in the Companies Act, 2013 for the time being in force.

Pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/ no profits, May by special resolution pay remuneration exceeding five percent of the net profits of the Company in any financial years and that the aggregate remuneration payable to him as well as other Executive Director of the Company may exceed ten percent of the net profits of the Company in any of the financial year and the overall remuneration to all the directors may exceed eleven percent of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 in any of the financial years.

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THAT remuneration payable to Mr. Rajesh Somani, may exceed five percent of the net profits of the Company in any financial years and that the aggregate remuneration payable to him as well as other Executive Director of the Company may exceed ten percent of the net profits of the Company in any of the financial year and the overall remuneration to all the directors may exceed eleven percent of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 in any of the financial years.

Basic Salary	:	Such sum as may be approved by the Board/ NRC, within the scale of Rs. 50,000/- to 2,00,000/- p.m. The increment will be merit based and take into account the company's performance.
Variable Allowance	:	Such sum as may be approved by the Board/ NRC, subject to a maximum of Rs. 9,00,000/- per annum. This shall be in addition to the salary.
Perquisites	:	In addition to the Salary and Variable allowance, within the overall ceiling of 100% of the annual salary, Mr. Rajesh Somani will be entitled to such perquisites in such form and manner as the Board of Directors of the Company may decide, including but not restricted to the following:
		a) Furnished accommodation; or
		b) House Rent Allowance, Helper
		c) Medical expenses and medical insurance for self and family
		d) Corporate Attire
		e) Books and periodicals
		and such other perquisites and allowance in accordance with the Rules of the Company or as may be agreed by the Board of Directors.
		For the purpose of calculating the ceiling of 100% as mentioned above, perquisites shall be evaluated as per the Income Tax Rules, 1962, wherever applicable, and in the absence of any such Rules, perquisites shall be evaluated at actual cost.
		Provision for use of Company's car, internet connectivity and telephone at residence (including payment of local calls and long-distance official calls) shall not be included in the computation of perquisites for the purposes of calculating such ceiling.
		Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act, 1961, Gratuity payable, and encashment of leave at the end of the tenure shall not be included in the computation of limits for remuneration or perquisites as aforesaid.
		Note- Family' for the purpose shall mean the spouse and the dependent children of Mr. Rajesh Somani.
Minimum Remuneration	:	Notwithstanding the above, in any financial year during the currency of term of office of Mr. Rajesh Somani, the Company has made no profits or its profits are inadequate, the Company shall pay salary, variable allowance and perquisites (except commission) as specified above to Mr. Rajesh Somani.
Commission	:	In addition to salary, variable allowance and perquisites payable, Mr. Rajesh Somani will be entitled to commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board of the Directors the company at the end of each financial year, subject to the overall ceiling, if any, stipulated in the Companies Act, 2013.

Except Mr. Rajesh Somani, Prawin Somani and Padma Somani, their relative and also the promoter/promoters group, no other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at No. 6 of the Notice for approval by the shareholders.

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]

- **BRIEF PROFILE OF MRS. PADMA SOMANI**

Name	Mrs. Padma Somani
Director Identification Number (DIN)	01719952
Date of Birth	July 19, 1969
Age	57 years
Nationality	Indian
Date of first appointment in the Board	January 02, 2023
Terms and Conditions of Appointment / Re-appointment	Liable to retire by rotation
Educational Qualifications	Bachelor's degree in Arts
Profile & Experience	She has been appointed as Whole Time Director of our Company w.e.f. January 02. 2023. She completed her Bachelor of Arts from University of Madras in the year 1989. She looks after the Human Resource department of the company.
Nature of Expertise in specific functional areas	Human Resource Management, Employee Relations, and People Management.
Relationship with Directors / KMP of the Company	Spouse of Mr. Rajesh Somani and Sister in law of Prawin Somani.
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 31.03.2026)	NIL

- **BRIEF PROFILE OF MR. PRAWIN SOMANI**

Name	Mr. PRAWIN SOMANI
Director Identification Number (DIN)	01143972
Date of Birth	July 10, 1974
Age	52 years
Nationality	Indian
Date of first appointment in the Board	December 09, 2009
Terms and Conditions of Appointment / Re-appointment	Liable to retire by rotation
Educational Qualifications	Higher Secondary

Notice

Profile & Experience	He has work experience of around 22 years in the Metal Industry. He is in charge of Production and procurement for the company. He is playing a vital role in formulating business strategies and effective implementation of the same.
Nature of Expertise in specific functional areas	Formulation and implementation of Business Strategies
Relationship with Directors / KMP of the Company	Brother of Mr. Rajesh Somani and brother in law of Mrs. Padma Somani
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 31.03.2026)	11,82,000 shares

- **BRIEF PROFILE OF MR. RAJESH SOMANI**

Name	Mr. Rajesh Somani
Director Identification Number (DIN)	01719930
Date of Birth	September 09, 1969
Age	57 years
Nationality	Indian
Date of first appointment in the Board	December 09, 2009
Terms and Conditions of Appointment / Re-appointment	Liable to retire by rotation
Educational Qualifications	Bachelor's degree in commerce.
Profile & Experience	He possesses around 30 years of experience in the iron and steel industry. He has played a vital role in setting up the business of our Company. He primarily looks after the marketing activities of the company. He also looks after functions such as finance and compliance matters in our Company. He is responsible for the overall management of the business of our Company.
Nature of Expertise in specific functional areas	Finance and marketing management.
Relationship with Directors / KMP of the Company	Brother of Mr. Prawin Somani and Spouse of Mrs. Padma Somani.
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 31.03.2026)	11,91,000 shares

Board's Report

Dear Members,

Your directors present the 17th Annual Report on business and operations of your Company for the financial year ended 31st March 2026.

Financial Highlights

(₹ in Lakhs)

Particulars	2025-26	2024-25
Revenue (Net)	6159.01	7277.64
EBIDTA	(187.09)	447.84
Depreciation	313.06	258.73
Finance cost (Net)	156.61	113.89
Profit /(Loss) before tax	(656.76)	75.22
Tax Expense	(166.96)	21.85
Profit after tax	(489.80)	53.37

State of Company Affairs

During the year 2025–26, the Company continued to operate in a challenging business environment. Many new small furnaces have commenced production of CI Lumps putting pressure on availability of iron containing better quality waste material. As against that supply of CI Lumps in the area has increased resulting into more producers chasing same customers through undercutting. As a result the price gap between pig iron and CI lumps has increased. The average price realization of Cast Iron (CI) Lumps declined further from ₹ 34,800 per MT in the previous year to ₹ 31,800 per MT, reflecting weak market demand and continued pricing pressure.

Power cost continued to remain a significant component of the cost of production. Despite various regulatory changes in the tariff structure, the overall cost of electricity was marginally higher than previous year, adversely affecting the profitability of the Company's Cast Iron Lumps operations amid declining product realizations.

In view of the continued mismatch between selling prices and production costs, the Company shut down one of the two furnace from Nov. 2025 and reduced contract demand of power by 50% to minimize losses. The management continued to focus on cost optimization, operational efficiencies, and prudent production planning while closely monitoring market conditions.

The production of Pipe Fittings declined during the year from 1,100 MT to 700 MT due to subdued market conditions and lower demand. The customers faced challenges in getting funds released from state governments against excuted projects. The price realization for DI fittings also declined from ₹ 1,27,000 per MT to ₹ 1,17,000 per MT, exerting pressure on margins. Against the Central budget allocation of Rs. 67,000 crores for Jal Jivan Mission, the actual amount spent was just 17000 crores by the state governments because of delay in implementation of projects. The Company continues to explore opportunities for manufacturing other value-added casting products to diversify its product portfolio, improve capacity utilization, and enhance profitability. From July 2026 the rebate for power supply on 132 KV line has been restored from 40 paisa per unit to 50 paisa per unit. Though the power tariff has again been increased from July 2026 but for our company it is expected to remain below the previous year level due to various optimisation steps taken by us and extra rebate of 10 paisa. The selling prices have also improved during the current year. The Average realisation for CI Lumps for first 3 months was Rs. 33800 PMT and prices have further improved. Our performance is expected to improve during the current year. We are also taking various steps for efficiency improvement.

Export

During the year, your Company exported pipe fittings worth Rs. 8.19 lakhs.

Transfer to Reserves

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

Board's Report

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, 2026.

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.

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 2026, the company has outstanding unsecured loan of Rs. 497.21 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-Remunerati-on-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 2026.

Board's Report

- **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. Prawin Somani, (DIN: 01143972), Mr. Rajesh Somani (DIN: 01719930) and Mrs. Padma Somani (DIN: 01719952), Directors will retire by rotation at ensuing Annual General Meeting and being eligible, they has offered themself to be re-appointed as Director. The Board proposes their reappointment to the members.

  Further on the recommendation of nomination and remuneration committee, the board of director of the company, on its meeting held on 14th August, 2026, subject to consent of the members of the company, has:-

  A) Re-appointed Mr. Prawin Somani as Whole-time Director of the company for a period of 5 years w.e.f. 01st April, 2027, liable to retired by rotation.

  B) Re-appointed Mr. Rajesh Somani as Whole-time Director of the company for a period of 5 years w.e.f. 01st September, 2027 liable to retired by rotation.

  The necessary resolutions for the above re-appointments are being included as part of the Notice convening the ensuing General Meeting. Brief profiles of Mr. Prawin Somani and Mr. Rajesh Somani are provided in the Explanatory Statement annexed to the Notice

- Appointment / Resignation of Key Managerial Personnel: During the year under review Mr. Akshat Sharma (Membership No. A67006), 'Company Secretary & Compliance Officer' of the company has tendered his resignation with effect from the closing of business hours of 30th January, 2026, owing to personal reason.

Further after closing of the reported financial year, the board of director of the company upon the recommendation of Nomination and remuneration committee, in its meeting held on 30th April, 2026 has appointed Mr. Ankit Kumar Dewangan (Membership No. A77306), as 'Company Secretary & Compliance Officer' with effect from 01st May, 2026

Meetings

During the financial year 2025-26, a total of 05 (Five) meetings of the Board of Directors were held.

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;

Board's Report

(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.

The Company Secretary acts as the Secretary to the committee. The composition of the Audit Committee as at March 31, 2026 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, 2026 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

Board's Report

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.
- 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.

Board's Report

- 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.

CORPORATE GOVERNANCE REPORT:

Our Company, Earthstahl & Alloys Limited has listed its specified securities on SME Platform of BSE Limited which falls under the ambit of exemption provided to SME listed companies, therefore the compliance with the Corporate Governance provision specified in the applicable Regulation shall not be applicable to the Company.

Statutory Auditors

Members at the annual General meeting for the FY 2023-24 held on 30th September, 2024, has appointed M/s. O P Bagla & Co. LLP, Chartered Accountants, (Firm Registration No. 000018N/N500091; PR No. 014112) as statutory auditor of the company to hold the office till the conclusion of the 20th annual general meeting to be held in the calendar year 2029.

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 2026.

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.

Secretarial Auditors

The Board, on the recommendation of the Audit Committee, has appointed M/s. S.G. Kankani & Associates, Practising Company Secretaries, having Firm Registration No. P1998CG012600, to conduct the Secretarial Audit for the financial year 2025–26.

The Secretarial Audit Report for the financial year ended 31st march, 2026 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.

Frauds reported under Section 143(12) of the Companies Act, 2013

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

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the Financial Year 2025-26 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report as **Annexure - B**.

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 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.

Board's Report

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 (2025-26)	0
b. number of complaints disposed off during the year (2025-26)	0
c. number of cases pending for more than ninety days (2025-26)	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	-
(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	8.19
Foreign Exchange outgo during the year in terms of actual outflows	12.49

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 2025-26, and the percentage increase in remuneration of each Director, Chief Financial Officer, and Company Secretary in the financial year 2025-26.

Board's Report

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	7.39
2.	Prawin Somani	Whole-time Director	NIL	11.32
3	Padma Somani	Whole-time Director	NIL	7.39
4.	Utsabanand Nath	CFO	5%	N.A.
5.	Akshat Sharma*	Company Secretary	4%	N.A.

*Mr. Akshat Sharma had resigned from the Company w.e.f. the close of business hours on 30.01.2026.

- The percentage increase in the median remuneration of employees in the financial year 2025-26 was -4.14 %.
- There were a total of 112 permanent employees on the rolls of Company as on 31.03.2026.
- Average % increase in the salaries of employees other than the managerial personnel in the last financial year, i.e. 2025-26 was 4.02% as against 1.76% 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 2025-26, 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	1800000	Senior Secondary	22 years	01-04-2022	52	--	Brother of Mr. Rajesh Somani
2	Mr. Rajesh Somani	Whole-time Director	1200000	B.Com	30 years	01-09-2022	57	--	Brother of Mr. Prawin Somani and spouse of Mrs. Padma Somani
3	Mrs. Padma Somani	Whole-time Director	1200000	B.A.	20 years	02-01-2023	57	--	Spouse of Mr. Rajesh Somani
4	Mrs. Swati Laddha	General Manager	1200000	B.E. Computer Science	30 years	01-08-2022	50	--	Spouse of Mr. R.T. Laddha
5	Mr. Utsabanand Nath	CFO	1335000	B.Com	33 years	02-01-2023	55	Fortune Metaliks Limited	-
6	Mr. Mukesh Lal Shrivastava	Plant Head	1293000	B.Tech Mechanical	23 years	01-04-2020	47	Indo Rama Synthetics Limited	-

Board's Report

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
7	Mr. Hemant Mishra	Head Production Manager -Foundry Site	817800	B.Sc.	28 years	01-12-2018	54	Shivalik Steel & Power Pvt. Limited	-
8	Mr. Upendra Sharma	Head – Mechanical	771000	ITI	30 Years	01-07-2024	54	-	-
9	Mr. Nilesh Maheshwari	Sr. Accountant Cum HR	699600	M.Com	22 years	10-10-2016	47	AML Steel and Power Ltd.	-
10	Mr. Prince Kumar Singh	Head - Electrical	653760	ITI	14 years	01-12-2020	38	V A Power Ltd.	-

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 2025-26 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. 2025-26 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.

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.

Board's Report

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 2025-26 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

S.K. Jain
Chairperson
(DIN:00179336)

Place: Simga
Date: 14th August, 2026

Annexure A
to the Board's Report

ANNEXURE – A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2025-26

[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 (Chattisgarh)

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, 2026:

- 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, 2026 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'): -

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

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

d) 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:

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)

Annexure A
to the Board's Report

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

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.

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, except for the resignation of the Company Secretary, who resigned from the office of Company Secretary with effect from 30-01-2026.

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: F010807H001067291

Place: Raipur (C.G.)
Date: 10-08-2026

Annexure A
to the Board's Report

'Annexure-A'

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

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: F010807H001067291

Place: Raipur (C.G.)
Date: 10-08-2026

Annexure B
to the Board's Report

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. 34800 PMT to Rs. 31,800 PMT whereas price of electricity, the major cost in production, went up due to tariff hike.

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 11% 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 02nd largest globally, having grown by over 50% since 2008 in terms of global export.

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

Annexure B
to the Board's Report

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.

Threats

Global economic slowdowns arising from prevailing geopolitical and economic tensions in West Asia continue to pose a significant threat to the industry by impacting overall demand and market sentiment. The continuous increase in power costs remains a major challenge for the Company, as power constitutes a significant proportion of the production cost of cast iron (CI) lumps. At the same time, the realization prices of CI lumps have witnessed a declining trend over the past two to three years, resulting in pressure on operating margins. 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.

C. Product-wise Performance

Particulars	CI Lumps		Casting Articles	
	2025-26	2024-25	2025-26	2024-25
Production	13850	14631 MT	653	1100 MT
Sales	14767	13895 MT	710	976 MT

The production of CI Lumps fell because we have shut down one of two furnaces due to unviable operation. The production of Pipe fittings fell because of poor demand as a result of delay in release of funds of our customers by state governments. The projects under Jal Jivan Mission have slowed down.

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. During current year prices of CI Lumps have improved. The Pipe fitting demand is fluctuating due to delay in release of orders by state governments for water supply projects. The Central Govt. is pushing hard the projects under Jal Jivan Mission. The Govt. has allocated budget of Rs. 67670 crore against actual spend of Rs. 17000 crore in previous year. That should generate good demand for pipe fittings.

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 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 exploring options for the solar energy for long term sustainability. But it may take some time to fructify.

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 Company shutdown one of its two submerged arc furnaces with effect from 1 November 2025 due to unfavourable market conditions. Fall in selling price coupled with the increase in power charges made the operation commercially unviable, which resulted in falling turnover and earnings. .

Annexure B
to the Board's 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 112 employees in the payroll of your Company as on 31st March 2026.

I. Financial Ratios

S. No.	Ratios	2024-25	2025-26	% change	Reasons for significant changes
1	Debtors Turnover	44.13	42.95	-3	
2	Inventory Turnover	5.51	4.56	-17	
3	Interest Coverage Ratio	3.93	-1.19	-130	Losses due to fall in selling prices and increase in cost of production.
4	Current Ratio	0.97	0.85	-13	
5	Debt Equity Ratio	0.49	0.46	-6	
6	Operating Profit Margin (%)	2.62	-8.12	-410	Losses due to fall in selling prices and increase in cost of production.
7	Net Profit Margin (%)	0.74%	-7.95	-1177	
8	Return on Net Worth	1.44%	-13.99	-1075	

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 having (CIN-L27310CT2009PLC021487), which comprise the Balance Sheet as at 31st March, 2026, 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, 2026, its LOSS 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
1. Revenue Recognition	**How our audit addressed the key audit matter**
For the year ended March 31, 2026, the Company has recognized revenue from operations of Rs. 6159.01 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. We have identified following key areas for consideration: The contractual terms of delivery of material that defines when control is transferred to the customer. **RELATED DISCLOSURES:** 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.	• 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

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.

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.

Independent Auditors Report

- 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 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.
    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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
    f) With respect to the adequacy of the internal financial controls 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

Independent Auditors Report

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 2026 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

(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 2025-26.

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, 2026.

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 for all relevant transactions recorded in the respective software. Further, company has preserved the audit trail pertaining to the prior year as required by the act.

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 26092656GIBUHN8385

Date:30/05/2026
Place: New Delhi

Annexure A to the Independent Auditors Report

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/-	Prawin Somani	Whole Time Director	From 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: -

Amount in Rs. Lakhs

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

(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: -

Amount in Rs. Lakhs

Aggregate amount of loans/ advances in nature of loans as on 31-03-2026	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

(iv) 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.

Annexure A to the Independent Auditors Report

(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.

(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, Employees' State Insurance (ESI), 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 2026 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 (Rs.)	Period to which amount Relates	Forum where dispute is pending
The State Goods and Service tax act, 2017	Demand for ineligible ITC	4.57		Assistant Commissioner of state tax

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

Annexure A to the Independent Auditors Report

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 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 incurred cash losses amounting to Rs. 343.22 lakhs during the current financial year, however, there were no cash losses 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.

(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 26092656GIBUHN8385

Date:30/05/2026
Place: New Delhi

Annexure B to the Independent Auditors Report

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

We have audited the internal financial controls over financial reporting of EARTHSTAHL & ALLOYS LIMITED (“the Company”) as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Annexure B to the Independent Auditors Report

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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

[CA Atul Aggarwal]
Partner
M.NO.: 092656
UDIN 26092656GIBUHN8385

Date:30/05/2026
Place: New Delhi

Balance Sheet

as at 31st March, 2026

Amount in ₹ Lakhs

Particulars	Note	Amount as on 31-03-2026	Amount as on 31-03-2025
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	1,224.00	1,224.00
Reserves and Surplus	2.2	2,031.20	2,521.00
Non-current liabilities			
Long-Term Borrowings	2.3	864.03	833.74
Long term Provision	2.4	32.93	27.53
Deferred Tax Liabilities	2.10	-	144.00
Current liabilities			
Short-Term Borrowings	2.5	624.08	996.67
Trade Payables	2.6		
(A) total outstanding dues of micro enterprises and small enterprises		112.01	167.53
(B) total outstanding dues of Creditors other than micro enterprises and small enterprises		613.38	600.78
Short Term Provision	2.7	1.18	3.77
Other Current Liabilities & Provisions	2.8	225.14	242.42
		5,727.95	**6,761.44**
ASSETS			
Non-current assets			
Property, Plant & Equipment			
Tangible Assets	2.9	3,820.79	4,140.05
-Intangible Assets		-	-
-Capital work-in-progress	2.9	-	-
Long-Term Loans and Advances	2.11	6.30	15.28
Non-Current Investments	2.12	0.85	1.34
Deferred Tax Assets	2.10	24.05	-
Other Non- current assets	2.13	542.83	650.36
Current assets			
Inventories	2.14	1,066.57	1,631.23
Trade Receivables	2.15	120.69	166.09
Cash & Cash Equivalents	2.16	7.90	5.56
Short Term Loans & Advances	2.17	89.65	83.41
Other Current Assets	2.18	48.32	68.12
TOTAL		**5,727.95**	**6,761.44**

Significant Accounting Policies	1
Notes on Accounts	2.1-2.53

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: 26092656GIBUHN8385

Date: 30/05/2026
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: 30/05/2026
Place: Raipur

Ankit Dewangan
Company Secretary

Statement of Profit & Loss

for the year ended 31st March, 2026

Amount in ₹ Lakhs

Particulars	Note	Figures for the Year ended on 31-03-2026	Figures for the Year ended on 31-03-2025
REVENUE FROM OPERATIONS			
Revenue from Operations	2.19	6,159.01	7,227.64
Net Revenue from Operations		**6,159.01**	**7,227.64**
Other Incomes	2.20	72.65	49.81
Total Revenue		**6,231.66**	**7,277.45**
Expenses:			
Cost of Material Consumed	2.21	2,122.06	2,142.78
Purchases Stock in Trade	2.22	274.88	785.65
Change in Inventory	2.23	341.74	(571.29)
Power Charges	2.24	2,657.25	2,967.63
Production Related Direct Expenses	2.24	479.83	882.04
Employee Benefit Expenses	2.25	389.75	434.39
Finance costs	2.26	149.04	113.20
Depreciation expense	2.9	313.06	258.73
Other Expenses	2.27	160.32	189.09
Total Expenses		**6,887.93**	**7,202.22**
Profit before Exceptional Items and Tax		**(656.27)**	**75.22**
Exceptional Items			
Diminution in Value of Investments		(0.49)	-
Profit before Tax		**(656.76)**	**75.22**
Tax expense:			
Current tax		-	(14.57)
Previous year Tax Adjustment		(1.08)	(4.14)
Deferred tax		168.04	(3.14)
Profit (Loss) for the period		**(489.81)**	**53.37**
Earnings per Equity Share	2.28		
Basic		(4.00)	0.44
Diluted		(4.00)	0.44

Significant Accounting Policies 1

Notes on Accounts 2.1-2.53

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: 26092656GIBUHN8385

Date: 30/05/2026
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

Ankit Dewangan
Company Secretary

Date: 30/05/2026
Place: Raipur

Statement of Cash Flow

for the year ended 31st March, 2026

Amount in ₹ Lakhs

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per statement of P&L	(656.76)	75.22
Adjusted For:		
Depreciation Expenses	313.06	258.73
Finance Costs	149.05	113.89
Interest Income	(34.26)	(41.84)
Loss/(Gain) on Sale of Property Plant & Equipments(Net)	4.40	-
Unrealised Foreign exchange loss/(gain)	(0.15)	0.26
Provision for diminution in value of Investments	0.49	-
Operating Profit before Working Capital Changes	**(224.17)**	**406.26**
Adjusted For:		
Trade and Other Receivables	45.40	(4.63)
Short Term Loans & Advances	(6.26)	67.62
Inventories	564.66	(638.97)
Other Current Assets	19.80	5.32
Other Non Current Asset	107.54	(64.79)
Trade and Other Payables	(42.92)	159.80
Long term provisions	5.40	8.88
Short term provision	(2.59)	(26.42)
Other Current Liabilities	(17.28)	(4.49)
Net Direct Taxes Paid	(1.08)	(38.88)
Net Cash generated/ (utilized) from Operating Activities (A)	**448.48**	**(130.31)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipments	(7.19)	(910.89)
Sale of Property, Plant & Equipments	9.00	-
Movement in Loans & Advances	8.97	469.38
Redemption/ (Purchase) of Investments	-	13.20
Interest Income	34.26	41.84
Net Cash generated/ (utilized) from Investing Activities (B)	**45.04**	**(386.46)**

Statement of Cash Flow

for the year ended 31st March, 2026

Amount in ₹ Lakhs

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Equity Capital Infusion	-	-
Dividend Paid	-	-
Short Term Borrowings (Net)	(372.59)	469.67
Long Term Borrowings(net)	30.29	63.62
Finance Cost	(149.05)	(113.89)
Increase in Security Premium Reserve	-	-
Net Cash generated/ (utilized) from financing Activities (C)	**(491.35)**	**419.40**
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE PERIOD	5.56	103.19
Effect of Exchange differences on translation of foreign currency cash and cash equivalents	0.15	(0.26)
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	**7.90**	**5.55**
Supplementary Information:		
Restricted cash balance	0.32	0.32
(On account of unpaid dividend)		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**2.18**	**(97.38)**

Particulars	**As at 31.03.2026**	**As at 31.03.2025**
Components of cash and cash equivalents		
a. Cash and Cash Equivalent include the following		
Cash on hand	3.52	2.41
Balances with Bank*	4.38	3.15
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.

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: 26092656GIBUHN8385

Date: 30/05/2026
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: 30/05/2026
Place: Raipur

Ankit Dewangan
Company Secretary

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

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 2026 are approved for issue in accordance with a resolution of the directors on 30th May 2026.

(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 productionare 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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

e. Capital & Machinery spares procured with an item of fixed asset are depreciated along with the related plant and machinery.

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 anexpense 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).

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

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.

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'scontribution 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.

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 ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.1 Share Capital

Particular	As at 31 March 2026	As at 31 March 2025
Authorised Share Capital		
Equity Shares		
1,50,00,000 equity shares of Rs. 10 each.	1,500.00	1,500.00
Issued, Subscribed & Fully Paid-up Share Capital		
1,22,40,000 equity shares of Rs. 10 each	1,224.00	1,224.00
Total	**1,224.00**	**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.

A. Reconciliation of the Equity shares outstanding at the beginning and at the end of the year

Equity shares	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
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	-	-	-	-
Outstanding at the end of the year	1,22,40,000	1,224.00	1,22,40,000	1,224.00

B. Terms/Rights attached to equity shares

The company has issued single class of equity shares having a face value of Rs. 10 per equity share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the year, the Company has not declared or proposed any dividend on equity shares.

C. Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

Particulars	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
No of Bonus Shares issued of FV Rs. 10 each -				60,00,000.00	
Total -	-	-	-	60,00,000.00	-

D. Following shareholders hold equity shares more than 5% of the total equity shares of the Company:

Name of Shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Rajesh Somani	11,91,000	9.73%	11,91,000	9.73%
Chhattisgarh Metalik & Alloys Pvt Ltd (previously held by Jaiguru Vintrade Pvt Ltd.)*	31,80,000	25.98%	31,80,000	25.98%
Prawin Somani	11,82,000	9.66%	11,82,000	9.66%
Ravi Thakurdasji Laddha	11,04,000	9.02%	11,04,000	9.02%

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

*M/s Jaiguru Vintrate Pvt Ltd merged with M/s Chhattisgarh Metalik & Alloys Private Limited by the order of Honble Regional Director, North Western Region dated 10-09-2025 and accordingly shares held by M/s Jaiguru Vintrade Pvt Ltd are now held by M/s Chhattisgarh Metalik & Alloys Pvt Ltd post merger.

E. Details of promoter's shareholding percentage in the Company

Name of Shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Chhattisgarh Metalik & Alloys Pvt Ltd (previously held by Jaiguru Vintrade Pvt Ltd.)	31,80,000	25.98%	31,80,000	25.98%
Rajesh Somani	11,91,000	9.73%	11,91,000	9.73%
Prawin Somani	11,82,000	9.66%	11,82,000	9.66%
Ravi Thakurdasji Laddha	11,04,000	9.02%	11,04,000	9.02%
M/s. Aayush Steelco Pvt. Ltd	5,55,000	4.53%	5,55,000	4.53%
M/s. Somani Processors Pvt. Ltd	5,10,000	4.17%	5,10,000	4.17%
Kusum Jain	3,60,000	2.94%	3,60,000	2.94%
Padam Kumar Jain	4,29,000	3.50%	4,29,000	3.50%
Shreyance Jain	3,00,000	2.45%	3,00,000	2.45%
Padam Kumar Jain HUF	75,000	0.61%	75,000	0.61%
Ravi T Laddha HUF	60,000	0.49%	60,000	0.49%
Anju Prawin Somani	54,000	0.44%	54,000	0.44%

Note 2.2 Reserves and Surplus

Particular	As at 31 March 2026	As at 31 March 2025
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	958.62	905.26
(+) Net Profit/(Net Loss) For the current year	(489.81)	53.37
(+) Transfer from Reserves	-	-
(-) Equity Dividend	-	-
Closing Balance	**468.82**	**958.62**
Total	**2,031.20**	**2,521.00**

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.3 Long-Term Borrowings

Particular	As at 31 March 2026	As at 31 March 2025
Secured		
Term Loans From Banks	478.91	596.36
Less : Current Maturity	(112.09)	(117.87)
Total	**366.82**	**478.49**

Institution	Sanction Amount	Loan Type	EMI per month	Ending on	Rate of Interest P.A.	Security
HDFC Bank	31,40,000.00	CMEID Equipments	79,290.00	20-08-2027	9.25%	Equipment
HDFC Bank	31,40,000.00	CMEID Equipments	79,290.00	05-12-2027	9.25%	Equipment
HDFC Bank	9,00,000.00	CMEID Equipments	23,009.00	05-12-2028	9.50%	Equipment
HDFC Bank	30,80,000.00	CMEID Equipments	77,855.00	05-01-2027	8.90%	Equipment
HDFC Bank	37,71,500.00	CMEID Equipments	92,332.00	01-08-2026	8.26%	Equipment
Yes Bank	41,75,000.00	Car Loan	85,677.00	15-11-2027	6.85%	Hypothecation of car
Union Bank	19,65,000.00	Car Loan	29,898.00	30-06-2029	8.46%	Hypothecation of car

Terms and Security

The Term loan from Yes Bank is secured by way of Equitable mortgage of immovable properties of the company. All the equipment and vehicle loans are secured against hypothecation of respective equipments / vehicles.

Unsecured

Loans and advances from related parties

Particular	As at 31 March 2026	As at 31 March 2025
Unsecured From Directors	-	30.00
Unsecured From Bodies Corporate	497.21	325.25
Total	**497.21**	**355.25**
Terms of Repayment		
The above unsecured loan is repayable after a period of one years from the Balance Sheet Date.		
TOTAL LONG TERM BORROWINGS	**864.03**	**833.74**

Note 2.4 Long term Provision

Particular	As at 31 March 2026	As at 31 March 2025
Provision for gratuity	32.93	27.53
Total	**32.93**	**27.53**

Notes to the Financial Statements
as at and for the year ended 31st March, 2026

Note 2.5 Short-Term Borrowings

Particular	As at 31 March 2026	As at 31 March 2025
Current maturities of Long-Term Debt	112.09	117.87
(A) Secured		
(a) Loans repayable on demand		
Cash Credit Account	511.99	878.80
(B) Unsecured		
(a) Loans and advances from related parties		
Unsecured From Bodies Corporate	-	-
(b) Loans and advances from others		
Unsecured From Bodies Corporate	-	-
Total	**624.08**	**996.67**

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 is secured by way of Equitable mortgage of immovable properties of the company.

Note 2.6 Trade Payables

Particular	As at 31 March 2026	As at 31 March 2025
Due on account of Goods Purchased & Services Received from Micro Small & Medium Enterprises	112.01	167.53
Due on account of Goods Purchased & Services Received	613.38	600.78
Total	**725.39**	**768.32**

Refer Note no. 2.46 for ageing of Trade Payables

Note 2.7 Short Term Provision

Particular	As at 31 March 2026	As at 31 March 2025
Provision for doubtful advances/debts	-	-
Provision for Gratuity	1.18	0.78
Provision for Income Tax	-	2.98
Total	**1.18**	**3.77**

Notes to the Financial Statements
as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.8 Other Current Liabilities & Provisions

Particular	As at 31 March 2026	As at 31 March 2025
Other Payables		
Audit Fees Payable	2.61	2.61
TDS/TCS payable	6.02	7.04
Indirect Taxes Payable	85.77	58.62
Expenses Payable	73.06	77.29
Creditors for Capital goods	43.42	43.01
Advance from Customers	14.26	53.84
Total	**225.14**	**242.42**

Note 2.9 Property Plant and Equipment

Fixed Assets	Life	Gross Block				Accumulated Depreciation				NET BLOCK	
		Balance as at 1st April 2025	Additions	Transfer of asset	Balance as at 31st March 2026	Balance as at 1st April 2025	Transfer of asset	Depreciation charge for the year	Balance as at 31st March 2026	Net Block as at 31st March 2026	Net Block as at 31st March 2025
TANGIBLE ASSETS											
Own Assets											
Factory Land	-	423.56	-	-	423.56	-	-	-	-	423.56	423.56
Factory Shed & Building	15 years	746.49	-	-	746.49	334.32	-	42.23	376.55	369.94	412.17
Plant and Machinery	10 & 15 years	4,534.86	-	14.46	4,520.40	1,342.25	1.06	249.90	1,591.09	2,929.31	3,192.61
Office Equipments	10 years	16.84	1.33	-	18.17	5.26	-	1.92	7.19	10.98	11.58
Computers	3 years	16.01	0.52	-	16.53	14.39	-	0.82	15.21	1.32	1.62
Furniture & Fixture	10 years	58.83	3.01	-	61.84	28.94	-	5.15	34.09	27.75	29.88
Vehicles	7 years	139.47	2.33	-	141.80	70.83	-	13.03	83.87	57.93	68.64
Total A		**5,936.06**	**7.19**	**14.46**	**5,928.79**	**1,795.99**	**1.06**	**313.06**	**2,108.00**	**3,820.79**	**4,140.05**
Previous Year		**3,834.55**	**2,101.50**	**-**	**5,936.05**	**1,537.26**	**-**	**258.73**	**1,795.99**	**4,140.05**	**2,297.29**
Capital Work In Progress		-	-	-	-	-	-	-	-	-	-
Total B		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Previous Year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,190.61**
Total (A+B)		**5,936.06**	**7.19**	**14.46**	**5,928.79**	**1,795.99**	**-**	**313.06**	**2,108.00**	**3,820.79**	**4,140.05**
Previous Year		**3,834.55**	**2,101.50**	**-**	**5,936.05**	**1,537.26**	**-**	**258.73**	**1,795.99**	**4,140.05**	**3,487.90**

CWIP aging schedule as on 31-03-2026

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	-	-	-	-	-

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

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	-	-	-	-	-

*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.

Note 2.10 Other Current Liabilities & Provisions

Particular	As at 31 March 2026	As at 31 March 2025
Opening Balance of Deferred Tax Asset/(Liability)	(144.00)	(140.86)
On Account of Depreciation	(30.45)	(23.51)
On Account of Expenses disallowed	14.20	20.82
On account of Difference of earlier year	-	(0)
On account of business losses	184.30	(3.14)
Deferred Tax Assets/(Liability) for the year	168.04	(6.28)
Closing Balance of Deferred Tax Asset/(Liability)	**24.05**	**(144.00)**

Note 2.11 Long-Term Loans and Advances

Particular	As at 31 March 2026	As at 31 March 2025
Capital Advances		
Unsecured and considered good	6.30	15.28
Total	**6.30**	**15.28**

Note 2.12 Non Current Investments

Particular	As at 31 March 2026	As at 31 March 2025
Non Trade Investment		
In TCS Limited		
36 shares (P.Y.- 36 Shares) of Rs.1/- each fully paid up	1.34	1.34
Less: Provision for Diminution in Value of Investments	(0.49)	-
Total	**0.85**	**1.34**
(a) Aggregate amount of quoted investment and market value		
(i) Cost	1.34	1.34
(ii) Market Value	0.85	1.30
(b) Aggregate amount of unquoted investment	-	-
(c) Aggergate amount of impairment in value of investment.	0.49	0.04

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.13 Other Non Current Assets

Particular	As at 31 March 2026	As at 31 March 2025
Security Deposits	530.42	642.62
Prepaid Expenses (Non-Current)	12.41	7.74
Total	**542.83**	**650.36**

Note 2.14 Inventories

Particular	As at 31 March 2026	As at 31 March 2025
a. Raw Materials (Valued at Average Cost)	326.53	476.29
b. Finished goods (Valued at Lower of Cost or NRV)	471.69	822.96
c. Semi Finished Goods (Valued at Lower of Cost or NRV)	101.41	61.04
d. Stock in Trade (Valued at Lower of Cost or NRV)	66.62	112.07
e. Stores and Consumables (Valued at Average Cost)	84.99	105.19
f. By- products (Valued at NRV)	(0.00)	30.68
g. Stock of Foundry Rejects (Valued at NRV)	15.32	13.52
h. Stock in Transit	-	9.50
Total	**1,066.57**	**1,631.23**

Note 2.15 Trade Receivables

Particular	As at 31 March 2026	As at 31 March 2025
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	81.20	155.95
Trade receivables outstanding for a period more than six months		
Unsecured, considered Good	39.49	11.77
Less:		
Provision for Doubtful Debts	-	(1.63)
Total	120.69	166.09

Refer Note no. 2.47 for ageing of Trade Receivables.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Note 2.16 Cash & Cash Equivalents

Particular	As at 31 March 2026	As at 31 March 2025
a. Cash and cash equivalents		
Cash in hand	3.52	2.41
Balances with banks	4.38	3.15
Deposits with Bank (Having Maturity period less than 3 Month)	-	-
Total	**7.90**	**5.56**

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

Note 2.17 Short Term Loans & Advances

Particular	As at 31 March 2026	As at 31 March 2025
Unsecured, Considered Good		
Loans & Advances to other	-	-
Advance to Staff	0.57	0.39
Advances for expenses (With Director)	-	0.91
Indirect Taxes Receivable	0.83	9.05
TDS/TCS Receivable	8.31	0.30
Advance to Suppliers		
Others (Unrelated)	79.94	72.76
Less: Provision for Doubtful advances	-	-
Total	**89.65**	**83.41**

Note 2.18 Other Current Assets

Particular	As at 31 March 2026	As at 31 March 2025
Deposit with BSE Ltd	-	12.96
Other Deposits (EMD)	5.98	7.73
Prepaid Expenses	11.51	11.18
Interest On SD CSPDCL Receivable	30.83	35.85
Electricity Surcharge Receivable	-	0.33
Other Receivables	-	0.07
Total	**48.32**	**68.12**

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.19 Revenue From Operations

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Revenue from sale of products	6,155.05	7,221.38
(i) Revenue from Manufactured Goods	5,836.95	6,500.53
(ii) Revenue from Traded Goods	318.10	720.85
(b) Revenue from Services	3.96	6.26
Revenue from Freight Services	1.31	1.74
Revenue from Service Charges	2.65	4.52
Grand Total	**6,159.01**	**7,227.64**

Note 2.20 Other Incomes

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest Income	34.26	41.84
Other Income	38.39	7.97
Total	**72.65**	**49.81**

Note 2.21 Cost of Material Consumed

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Stock of Raw Material	544.58	485.96
Purchase of Materials	1,952.48	2,231.54
Less: Closing Stock of Raw Material	(341.85)	(544.58)
Less: Disposal as such	(33.15)	(30.14)
Total	**2,122.06**	**2,142.78**

Broad heads of Raw Material Consumed:

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Iron Based	1,275.88	1,330.62
Coal Based	734.68	751.11
Other	111.51	61.04
Total	**2,122.06**	**2,142.78**

Notes to the Financial Statements
as at and for the year ended 31st March, 2026

Note 2.22 Purchases Stock in Trade

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchases Stock in Trade	274.88	785.65
Total	**274.88**	**785.65**

Note 2.23 Changes in Inventories of Finished Goods and WIP

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory at the beginning of the year		
Finished Goods (Valued at Lower of Cost or NRV)	420.56	109.26
Semi Finished Goods	6.27	1.14
Traded goods (FYD)	112.07	32.50
By Products (Valued at NRV)	30.68	29.06
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	411.89	238.23
	981.47	**410.18**
Inventory at the end of the year		
Finished Goods CI Lumps (Valued at Lower of Cost or NRV)	134.84	420.56
Stock of Traded goods (FYD)	66.62	112.07
By Products (Valued at NRV)	(0.00)	30.68
Semi Finished Goods	101.41	6.27
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	336.85	411.89
	639.72	**981.47**
(Increase)/Decrease In Inventory	**341.75**	**(571.29)**

Note 2.24 Production Related Direct Expenses

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Power Charges	2,657.25	2,967.63
Production & Handling Charges	159.76	279.69
Consumption of Stores & Consumables	320.07	602.35
Grand Total	**3,137.08**	**3,849.67**

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.25 Employee Benefit Expenses

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Salary & Wages	357.34	391.72
Contribution to Provident and Other Funds	23.28	29.26
Staff Welfare expenses	3.33	3.71
Gratuity	5.80	9.70
Total	**389.75**	**434.39**

Note 2.26 Finance costs

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expenses	145.67	109.51
Bank Charges	3.37	3.70
Total	**149.04**	**113.20**

Note 2.27 Other Expenses

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Audit Fees	3.50	3.50
Tax Audit Fees	0.50	0.50
Travelling & Conveyance	19.18	12.25
Donation	0.11	0.50
Fees & Taxes	6.25	8.70
GST Expenses	1.97	8.54
Director Sitting Fees	3.10	2.70
Insurance Charges	10.42	8.61
MSME Interest Expenses	7.56	0.69
Legal & Professional Expenses	21.92	0.99
Property Tax	0.55	0.55
Printing & Stationery	1.19	2.19
Foreign Exchange Gain/Loss	0.15	-
Repair & Maintenance Of Furniture & Fixture Office Equipments	2.08	2.48
Repair & Maintenance Of Factory Shed & Building	1.35	9.11
Running , Repair & Maintenance Of Vehicle	14.09	16.12
Miscellaneous Expenses	30.09	42.49
Selling Expenses	35.47	68.31
Prior Period expenses	0.83	0.87
Total	**160.31**	**189.09**

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.28 Earnings per Equity Share

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	(489.81)	53.37
Weighted Average number of equity shares for Earnings per Share computation		
1. For Basic Earnings per Share of Rs.10 each	12240000	12240000
2. For Diluted Earnings per Share of Rs.10 each	12240000	12240000
Earnings per Share		
Basic	(4.00)	0.44
Diluted	(4.00)	0.44

Note 2.29 Contingent Liabilities and Commitments

Particular	As at 31 March 2026	As at 31 March 2025
Contingent Liabilities		
Contingent Liability not provided for in respect of :-		
Government of India has notified new labour codes with effect from 22 Nov 2025 and accordingly the unascertained liability of Employee Provident Fund based on The Honourable Supreme court's 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 is no more liable.	-	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
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 orany 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 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 is pending with the Appellate Authority.	4.57	NIL

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

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.	NIL	16.55
Total	4.57	42.03

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.	Padma Somani	Whole Time Director
5.	Anju Somani	Relative of Director
6.	Swati Laddha	Relative of Non Executive Director
7.	Utsavanand Nath	CFO
8.	Akshat Sharma	Company Secretary (upto 30-01-2026)
9.	Ankit Dewangan	Company Secretary (w.e.f. 01-05-2026)
10.	Surenda kumar jain	Independent Director
11.	Vinod kumar Arora	Independent Director
12.	Ravi T Laddha HUF	Relative of Director
13.	Shreyance Jain	Promoter
14.	Padam Kumar Jain	Promoter

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

1. Ayush Steel Co P Ltd
2. Shree Balaji Iron and Steel Traders
3. Somani Processors P Ltd
4. CG Metalik & Alloys P Ltd
5. Moshvarya Infrastructure Ltd
6. Srikar Innovative Industries Private Limited
7. Bhilai Foundry Feeders

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Transaction with Related Parties

Nature of Transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
Transactions With (A) above		
- Loan received		30.00
- Loan repaid	30.00	-
- Expense made on behalf of company	11.98	5.11
- Expense Amount Reimbursed	10.85	4.46
- Interest expense on Loan taken	-	-
- Advance For Land given	-	-
- Purchase of Land		178.81
- Salary Paid	66.51	67.52
- Director Sitting fee paid	3.25	2.70
Transactions With (B) above		
- Loan received	-	320.00
- Loan repaid	100.29	238.23
- Purchase of Goods and services	427.37	674.50
- Sale of Goods and services	183.74	74.05
- Interest on unsecured loan	22.74	20.13
Balance with (A) Above		
- Loans & Advances Payable	0.00	30.00
- Director Sitting fee payable	3.10	2.43
- Salary payable	4.43	4.24
- Imprest amount Receivable	0.00	0.91
- Imprest amount payable	-1.55	0.63
Balance with (B) Above		
- Loans & Advances Payable	247.70	325.25
- Other Payables	94.20	141.99

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	For the year ended 31 March 2026	For the year ended 31 March 2025
a. Loan received		
Moshvarya Infrastructure Ltd	-	275.00
Chhattisgarh Metalik & Alloys P Ltd	-	37.00
Rajesh Somani	-	30.00
Shri Balaji Iron & steel Traders	-	8.00

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
b. Loan repaid		
Moshvarya Infrastructure Ltd	92.44	210.00
Chhattisgarh Metaliks & Alloys P Ltd	7.85	17.49
Jaiguru Vintrade Pvt. Ltd.	-	2.74
Shri Balaji Iron & steel Traders	-	8.00
Rajesh Somani	30.00	-
c. Expense made on behalf of company		
Rajesh Somani	7.51	2.38
Prawin Somani	0.14	0.92
Chhattisgarh Metalik & Alloys P Ltd	-	-
Utsabanand Nath	-	1.80
Aayush Somani	1.94	-
d. Expense Amount Reimbursed		
Rajesh Somani	6.38	2.55
Prawin Somani	0.14	0.32
Chhattisgarh Metalik & Alloys P Ltd	-	-
Utsabanand Nath	2.40	1.60
Aayush Somani	1.94	-
e. Interest paid		
Moshvarya Infrastructure Ltd	17.76	15.44
Chhattisgarh Metalik & Alloys P Ltd	4.99	3.62
Jaiguru Vintrade Pvt. Ltd.	-	1.06
f. Purchase of Immovable Property		
Prawin Somani	-	178.81
g. 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	11.53	11.45
Akshat Sharma	4.48	5.56
h. Director Sitting Fees Paid		
Ravi thakur das Laddha	0.40	0.80
Surenda kumar jain	1.50	1.10
Vinod kumar Arora	1.35	0.80

Notes to the Financial Statements
as at and for the year ended 31st March, 2026

Particulars		For the year ended 31 March 2026	For the year ended 31 March 2025
i.	**Purchase of Goods and services**		
	Somani Processors P Ltd	0.19	0.17
	Srikar Innovative Industries Private Limited	331.74	559.60
	Moshvarya Infrastructure Ltd	49.91	70.61
	Bhilai Foundry Feeders	13.42	44.12
j.	**Sale of Goods and services**		
	Bhilai Foundry Feeders	6.64	20.28
	Srikar Innovative Industries Private Limited	145.76	53.77

Note 2.31 Payments to Auditors

Particular	For the year ended 31 March 2026	For the year ended 31 March 2025
1. Statutory Audit Fees	3.50	3.50
2. Tax Audit	-	0.50
3. Certification and Other Fees	0.1	-
Total	**3.60**	**4.00**

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 31.03.2026 which needs recognition as employee retirement benefits in the accounting period 2025-26 as company is not having policy of accumulating Earned leave. All such untilised 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 te 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:-

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

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

Period	As at 31 March 2026	As at 31 March 2025
Number of employees	112	145
Total monthly salary	14.36	15.92
Average Past Service(Years)	3.63	3.05
Average Future Service (yr)	21.50	22.15
Average Age(Years)	38.50	37.85
Weighted average duration (based on discounted cash flows) in years	12.52	14.19
Average monthly salary	0.13	0.11

The assumptions employed for the calculations are tabulated:	As at 31 March 2026	As at 31 March 2025
Discount rate	7.53% per annum	6.84% 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:	As at 31 March 2026	As at 31 March 2025
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):

Period	As at 31 March 2026	As at 31 March 2025
Current Liability (Short Term)	1.18	0.78
Non Current Liability (Long Term)	32.93	27.53
Total Liability	**34.12**	**28.31**

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

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

Particulars	As at 31 March 2026	As at 31 March 2025
The principal amount remaining unpaid at the end of the year.	112.01	167.53
The interest amount remaining unpaid at the end of the year.	7.75	0.87
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.	7.75	0.87
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.

Note 2.35 Other Disclosures

Particulars	As at 31 March 2026	As at 31 March 2025
1) Value of Imports calculated on CIF basis by the Company during the Financial year in respect of Raw Material, Components and Capital Goods	NIL	8.76
2) Expenditure in Foreign Currency during the FY on account of Royalty Know How, Professional and Consultation fees, Interest and other matters	NIL	NIL
3) Total Value of all Imported Raw Materials, Spare Parts and Consumables consumed as % of Indigenous Raw Materials, Spare Parts and Components with Values	NIL	8.76
4) Amount remitted in Forex as Dividends	NIL	NIL
5) Earnings in Foreign Exchange	8.19	27.00

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Note 2.36 Segment-Wise Revenue Results :

Basis of preparation :

(i) 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 "Foundary".

(ii) The geographic segments identified as secondary segments are "Submerged Arc Furnance" and "Foundary". Since there is no export market revenue, the same has not been disclosed. The entire capital employed is within India.

Information about business segments - Primary:

Particulars	Submerged Arc Furnace		Foundary		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Revenue						
Sales	4,986.06	5,446.63	1,172.94	1,781.01	6,159.01	7,227.64
External Turnover (Gross)	-	-	-	-	-	-
Inter-segment Transfer						-
Eliminations						-
Total Revenue	**4,986.06**	**5,446.63**	**1,172.94**	**1,781.01**	**6,159.01**	**7,227.64**
Segment Result	(718.73)	(289.78)	252.63	529.08	(466.10)	239.31
Unallocated Corp. (Exp.)/Income	-	-		-	(41.13)	(59.52)
(+) Interest Income	-	-	-	-	-	9.33
(+) Other Income	-	-	-	-	-	-
(-) Financial Cost	-	-	-	-	(149.04)	(113.89)
(-) Income Taxes	-	-	-	-	(1.08)	(18.72)
(-) Deferred Taxes	-	-	-	-	168.04	(3.14)
(-) Mat Credit Adjustment	-	-	-	-	-	-
(-) Exceptional Item	-	-	-	-	-0.49	-
Net Profit	**(718.73)**	**(289.78)**	**252.63**	**529.08**	**(489.80)**	**53.37**
Other Information						
Segment Assets	3,316.30	4,231.83	1,295.11	1,466.72	4,611.42	5,698.55
Unallocated Corporate Assets	-		-	-	1,116.54	1,062.89
Total Assets	**3,316.30**	**4,231.83**	**1,295.11**	**1,466.72**	**5,727.95**	**6,761.44**
Segment Liabilities (Outsider)	1,006.33	1,141.67	181.08	223.98	1,187.42	1,365.65
Unallocated Corporate Liabilities	-	-	-	-	1,285.34	1,650.79
Total Liabilities	**1,006.33**	**1,141.67**	**181.08**	**223.98**	**2,472.76**	**3,016.44**
Depreciation	208.59	160.07	91.44	84.30	300.03	244.37
Unallocated Depreciation	-	-	-	-	-	14.36
Non cash Exp. other than Dep.	-	-	-	-	-	-

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

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 2025-26.

Particulars	As at 31 March 2026	As at 31 March 2025
Gross amount required to be spent by the company during the year	-	-
Amount approved by the Board to be spent during the year	-	-
Amount spent during the year on: (in Rs.)	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
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	-	-

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	Since 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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

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 finanacial institution are in agreement with the books of account.

Note 2.46

Disclosure related to trade payable ageing schedule in FY 2025-26

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	112.01	-	-	-	112.01
Others	609.21	0.17	-	4.00	613.38
Disputed - MSME	-	-	-	-	0.00
Disputed - Other	-	-	-	-	0.00
Total	**721.22**	**0.17**	**-**	**4.00**	**725.39**

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	**741.57**	**1.33**	**4.25**	**21.16**	**768.32**

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Disclosure related to trade receivable ageing schedule in FY 2025-26

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	80.71	0.00	39.98	-	-	120.69
Undisputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Disputed trade receivable -Considered good	-	-	-	-	-	-
Disputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Total	**80.71**	**-**	**39.98**	**-**	**-**	**120.69**

Disclosure related to trade receivable ageing schedule in FY 2024-25

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**

Note 2.48 Ratio Analysis

Particulars	Parameters of Calculation	31-03-2026	31-03-2025	% of variance
Current ratio	Current Assets/Current Liabilities	0.85	0.97	-13%
Debt- Equity Ratio	Total Debt/ Shareholder's Equity	0.46	0.49	-7%
Debt Service Coverage ratio	(Net profit after taxes + Non-cash operating expenses)/(Interest & Lease Payments + Principal Repayments)	-0.73	0.00	-
Return on Equity ratio	PAT/ Average Shareholder's Fund	-0.14	0.01	-1499%
Inventory Turnover ratio	Revenue from Operations/ Average Inventory	4.57	5.51	-17%
Trade Receivable Turnover Ratio	Revenue from Operations/ Average Receivables	42.95	44.13	-3%

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Amount in ₹ Lakhs

Particulars	Parameters of Calculation	31-03-2026	31-03-2025	% of variance
Trade Payable Turnover Ratio (Services Procured)	Net Purchases/ Avg. Trade payables	2.98	4.38	-32%
Net Capital Turnover Ratio	Total Income/ Average Working capital	-41.14	-1769.34	-98%
Net Profit ratio	PAT/ Total Income	-0.08	0.01	-895%
Return on Capital Employed	EBIT/Capital Employed	-0.12	0.01	-1330%
Return on Investment	Income generated from invested funds/avg. invested funds	NA	NA	NA

Reason for Variance over 25%:

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

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

Net Capital Turnover Ratio - Net Capital Turnover Ratio has reduced due to Increase in current liabilities.

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 ₹ 10/- each at an issue price of ₹ 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, 2026	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**	**-**

Notes to the Financial Statements
as at and for the year ended 31st March, 2026

Note 2.50 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

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 - Excavator	Equipment Loan	37.72	01-09-2022

Note 2.52 Sale of Forklift

During the year, the Company has sold a forklift having a written down value (WDV) of ₹ 9.75 lakhs as at 31 March 2025. The sale invoice has been raised and the sale transaction has been accounted for in the books during the year. However, since the physical possession and effective control of the said asset had not been transferred to the buyer as at the reporting date, the related loan liability continues to be serviced and paid by the Company pending completion of the transfer process.

Note 2.53 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: 26092656GIBUHN8385

Date: 30/05/2026
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: 30/05/2026
Place: Raipur

Ankit Dewangan
Company Secretary

Notes

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