

Date: 26th June, 2025

To, The Manager, Listing & Compliance, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Ref: Scrip Code - 540393	To, Listing Department, National Stock Exchange of India Limited, C-1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051 Ref: Scrip Symbol - SMLT
--	---

Subject: Annual General Meeting Notice, Integrated Annual Report 2024-25.

Dear Sir/Madam,

The Thirtieth Annual General Meeting ("AGM") of the Company will be held on Friday, July 25, 2025 at 12:00 p.m. at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company along with the Notice of AGM for the financial year 2024-25 which is being sent to the Members, who have registered their e-mail addresses with the Company / Depositories, through electronic mode.

To access Integrated Annual Report containing the Notice uploaded on the Company's website [Click Here](#).

Kindly take the same on your record.

Yours' Faithfully,

For, **Sarthak Metals Limited**

PRATIK
Digitally signed
by PRATIK JAIN
Date: 2025.06.26
11:56:37 +05'30'

Pratik Jain
Company Secretary and Compliance Officer

Encl. as above.



SARTHAK METALS LIMITED

ANNUAL REPORT 2024-25

ENDURING STEEL. ENDURING SPIRIT.



Inside contents

STRATEGIC REVIEW

Company Profile	02
Desraj Bansal Group	04
Journey So Far	06
Product Portfolio	08
New Frontier: Flux Cored Wire	12
Manufacturing Edge	16
Letter to Shareholders	18
Key Performance Indicators	20
Growth Blueprint	22
Sustainability	24
Client Relationships	26
The Leadership	28
Management Discussion and Analysis	30

STATUTORY REPORTS

Notice of Annual General Meeting	37
Directors' Report	54
Corporate Governance Report	62

FINANCIAL STATEMENTS

Independent Auditors' Report	86
Balance Sheet	94
Statement of Profit and Loss	95
Statement of Cash Flow	96
Statement of Changes in Equity	97
Notes to Financial Statements	98

FORWARD LOOKING STATEMENT

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

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



In the metals industry, strength is measured not only by tensile values or yield points, but also by the resilience displayed in the face of adversity. This year has tested our mettle in more ways than one. Yet, much like the steel we serve, we have endured — remaining steadfast and unyielding.



Enduring Steel. Enduring Spirit.

This financial year, much like the year before it, was marked by significant volatility in product prices, subdued demand, and intensified competitive pressures. The broader operating environment posed formidable challenges, even for the most experienced players in the metallurgical value chain. For Sarthak Metals, this became an opportunity for reflection, recalibration, and consolidation. We focused inward, reinforcing our core strengths, safeguarding our long-term interests by meaningful diversification, and exercising strategic discipline by refraining from participating in unprofitable growth in some of our product categories.

Throughout the year, our commitment to value preservation and operational stability remained. Guided by a clear vision, we navigated uncertainty with clarity and control. Whether refining commercial strategies, enhancing procurement efficiencies, deepening partnerships with India's leading steelmakers, or balancing daily operations, we consistently prioritized prudence over growth.

To future-proof our business and reduce reliance on traditional revenue streams and our dependence on one end-user industry, we have embarked on a path of strategic diversification. Our new business segment, Flux Cored Wire, is closely aligned with our core manufacturing competencies and presents compelling growth opportunities. This strategic shift is not merely about expanding our product portfolio; it is about deepening our relevance in the industry. By entering adjacent domains, we seek to unlock new markets, and serve India's growing infrastructure sector through quality welding consumable products.

Despite external headwinds, our commitment to responsible operations, resource optimization, and ethical conduct has remained resolute, underpinning our pursuit of long-term value creation for all our stakeholders.

Just as steel derives its strength from heat and pressure, Sarthak Metals will emerge from this challenging phase more resilient, focused, and determined than ever.

OUR BUSINESS, LIKE OUR PRODUCTS, IS ENGINEERED TO ENDURE.



COMPANY PROFILE

Pioneering Excellence in Metallurgical Solutions

Sarthak Metals Limited (SML), a distinguished entity of the ₹ 490+ Crore Desraj Bansal (DB) Group, stands as one of India’s foremost manufacturers of cored wires and aluminium flipping coils, with an emerging presence in the welding consumables segment with its flux cored wires product category. Renowned for reliability and precision, SML has become a trusted partner in contemporary steel metallurgy.

Founded in 1995, SML has consistently advanced metallurgical processes within the steel sector. Initially established as an industrial gas manufacturer under the DB Group, the Company strategically transitioned since 2002 to specialize in cored wire production. Today, SML delivers state-of-the-art wire injection technologies to steelmakers nationwide.

Our principal operations encompass the manufacture and export of cored wires and aluminium flipping coils — essential consumables that enhance and refine steel quality. These products are vital for achieving the precise chemical compositions demanded by modern steel manufacturing. Complementing our product portfolio, we provide advanced wire injection systems, enabling clients to inject cored wires into molten steel with superior control and consistency.

SML'S EVOLUTION FROM A CONSUMABLES SUPPLIER TO A COMPREHENSIVE PROVIDER OF METALLURGICAL SOLUTIONS AND NOW EXPANSION INTO WELDING CONSUMABLES IS AN EVIDENCE TO OUR RESILIENCE, ADAPTABILITY, AND COMMITMENT TO RESULTS.

WHERE PRECISION MEETS PROXIMITY

Our ISO 9001:2015 certified manufacturing facilities are strategically located in Bhilai, Chhattisgarh, at the heart of one India’s largest steel ecosystems. This advantageous location ensures logistical efficiency and close proximity to some of the nation’s largest steel producers, many of whom regard us as their preferred supplier.

Every product and system we deliver reflects our commitment to engineering excellence and metallurgical expertise. Our clients’ trust is founded on our uncompromising standards for quality.

QUALITY: OUR STRONGEST ALLOY

At Sarthak Metals, quality is not merely a requirement — it defines our identity. The stringent demands of steel manufacturing allow no margin for error, and we uphold rigorous quality assurance protocols, including:

- Comprehensive quality checks at every production stage
- A dedicated in-house laboratory for testing raw materials and finished products
- Strict adherence to international quality standards

This steadfast focus on consistency and performance has earned us the confidence of India’s leading steel manufacturers as well as enabled our successful expansion into global markets.

REINVENTING OUR STRATEGIC CORE

In recognition of the cyclical nature of the steel industry, SML is proactively transforming its business model to enhance resilience and drive sustainable growth irrespective of how any one particular industry performs. Our strategic initiatives include:

- Diversifying into a broader metallurgical solutions portfolio
- Expanding into flux cored wires (FCWs) to address opportunities in fabrication and specialized welding applications
- Strengthening our presence in the foundry and fabrication sectors, enabling access to new customer segments beyond traditional steel manufacturing

This strategic pivot positions SML to capture a greater share of the value chain within existing business, expand into newer categories such as welding consumables and mitigate sector-specific risks.



VISION

Sarthak Metals’ vision embodies the shared aspiration and united purpose that drives our entire organisation:

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

SML SNAPSHOT

10,000 TPA
CORED WIRES
PRODUCTION CAPACITY

15,000 TPA
ALUMINIUM FLIPPING COIL
PRODUCTION CAPACITY

3,600 TPA
FLUX CORED WIRE
PRODUCTION CAPACITY

15+
COUNTRIES SERVED AS
PART OF OUR GROWING
GLOBAL FOOTPRINT

125+
CUSTOMERS SERVED
TILL DATE

Debt-free
BALANCE SHEET

145
COMMITTED
WORKFORCE

5
R&D TEAM STRENGTH

Forging Ahead in Metallurgy & Energy

As the flagship entity of the esteemed Desraj Bansal Group (DB Group), our roots are firmly anchored in India’s steel heartland. The DB Group is a ₹ 490+ Crore business conglomerate with a distinguished legacy spanning over 5 decades, excelling in the metallurgy and energy sectors. With 5 advanced manufacturing facilities and 3 core business entities, the Group exemplifies industrial leadership.

The Group’s journey began with the production of industrial oxygen and carbon dioxide, addressing the growing metallurgical demands of neighboring industries. Building on this foundation and driven by a commitment to innovation, we have strategically diversified our portfolio to include advanced metallurgical solutions. Our expansion began with Ferro Titanium under our Ferro Alloy Division and has since grown to encompass cored wires, aluminium flipping coils, wire feeder machines, and the latest addition being welding consumables under the leadership of SML.

LOCATED AT THE HEART OF INDIA’S STEEL INDUSTRY

All 5 of our state-of-the-art facilities are located in Bhilai, Chhattisgarh, providing direct access to some of India’s largest steel producers. This strategic positioning enables us to serve industry leaders as their preferred metallurgical partner, ensuring faster delivery, reduced logistics costs, and seamless collaboration.

A REPUTATION BUILT ON TRUST

The DB Group has consistently earned the trust of domestic and global clients alike. With revenues exceeding ₹ 490+ Crore in FY25, we continue to reinforce our leadership in metallurgical consumables supplemented by our energy solutions. Our ability to combine financial strength with customer-centric solutions sets us apart in a competitive landscape.

RESPONSIBLE GROWTH WITH PURPOSE

Our commitment extends beyond profitability to responsible growth. The Desraj Bansal Group actively supports initiatives in education, healthcare, and environmental sustainability. Our people-first philosophy is reflected across all our campuses and project sites, with a steadfast focus on health, safety, and social responsibility.



CORE BUSINESS ENTITIES

The DB Group comprises three dynamic entities, each contributing strategically to our growth trajectory:



**Sarthak Metals Limited -
The flagship**

Sarthak Metals leads the Group in advanced metallurgical solutions. As India’s leading manufacturer of metallurgical cored wires and aluminium flipping coils, we meet the critical needs of steelmakers, ensuring precision, efficiency, and uncompromising quality. Recent diversification into flux cored wires marks the next phase of our growth.

Capacities:

10,000 TPA

CORED WIRES

15,000 TPA

ALUMINIUM FLIPPING COIL

3,600 TPA

FLUX CORED WIRE



**Bansal Brothers -
The alloy specialists**

Established in 2007, Bansal Brothers represents the Group’s expertise in specialty ferro alloys. This ISO 9001:2000 certified unit is among India’s most trusted producers of Ferro Titanium and other essential alloys. Since commencing operations in 2009, Bansal Brothers has become synonymous with quality and reliability in the ferro alloy manufacturing sector.

11,000 TPA

INSTALLED CAPACITY

SERVING BOTH SECTORS

**FERROUS &
NON-FERROUS**



**Sarthak Energy
Sarthak Energy
Private Limited -
Powering the future**

Sarthak Energy embodies the Group’s commitment to sustainability. With a 2 MW renewable energy generation capacity, it supplies clean energy to the state grid through long-term power purchase agreements (PPAs). Located in Bhilai, its solar installations demonstrate the synergy between industrial growth and environmental stewardship.

2 MW

SOLAR ENERGY ASSETS

POWER OFF TAKE VIA STATE

PPAs

JOURNEY SO FAR

Milestones of Growth

From modest beginnings to becoming a trusted name in the metallurgical consumables industry, our journey has been defined by innovation, strategic foresight, and a strong commitment to quality. SML's evolution is not a one-time event but a continuous mindset. Over the past nearly 3 decades, we have consistently adapted to the dynamic needs of the metallurgical sector, creating enduring value for our customers, shareholders, and stakeholders.

2002

ENTERING METALLURGICAL SOLUTIONS

Recognizing the evolving requirements of steelmakers, we made a strategic entry into cored wire manufacturing. The establishment of our first in-house cored wire mill marked our foray into metallurgical consumables, delivering modern solutions that enhanced both steel quality and operational efficiency.

1995

LAYING THE FOUNDATION

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

2008

STRATEGIC DIVERSIFICATION

In 2008, we expanded our product portfolio to include aluminium flipping coils, further strengthening our position as a holistic metallurgical solutions provider. This diversification was driven by our keen understanding of industry trends and a commitment to delivering integrated value.

2012

TURNKEY SOLUTIONS

By 2012, we introduced cored wire injection systems, streamlining steelmaking processes for our clients and offering turnkey solutions that seamlessly combined products and technology.

2016

REBRANDING FOR A BROADER VISION

To reflect our expanded capabilities and strategic direction, we rebranded as Sarthak Metals Private Limited in 2016, aligning our identity with our diversified ambitions.

2021

ELEVATING MARKET PRESENCE

A pivotal moment in November 2021 as we migrated to the mainboards of BSE and NSE. This transition provided greater visibility, broader investor participation, and reinforced our market positioning.

2018

ADVANCING VERTICAL INTEGRATION

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

2017

PUBLIC LISTING MILESTONE

In 2017, we marked a significant milestone by becoming a publicly listed Company through a successful IPO on the BSE SME Exchange. It not only provided access to capital markets but also reflected investors' confidence in our vision and potential.

2022

ACHIEVING NEW REVENUE MILESTONES

FY22 was a landmark year as we surpassed the ₹ 450 Crore revenue mark for the first time, underscoring the robustness of our business model.

2023

STRATEGIC EXPANSION INTO WELDING CONSUMABLES

In FY23, we diversified beyond metallurgical consumables with the launch of Flux Cored Wires — an entry into the welding consumables segment supporting India's Atmanirbhar Bharat initiative.

2025

SCALING CAPACITY TO MEET MARKET DEMAND

Responding to robust market demand, we tripled the production capacity of our Flux Cored Wires division — from 1,200 TPA in FY24 to 3,600 TPA in FY25.

PRODUCT PORTFOLIO

Rooted in Metallurgy. Reaching Beyond.

Our product portfolio is the culmination of 3 decades of industry expertise, continuous innovation, and enduring customer relationships. With a steadfast commitment to delivering value-added metallurgical solutions, we have established ourselves as a trusted partner, synonymous with process reliability, chemical precision, and operational excellence in steelmaking.

Our comprehensive range, including Cored Wires, Aluminium Flipping Coils, and Wire Injection Systems, is designed to optimize steel properties and metallurgical outcomes across critical industries. These solutions introduce specific characteristics — from deoxidation to grain refinement — enabling the production of diverse steel grades tailored to evolving market needs.

While our recent addition, Flux Cored Wires, are designed to create durable welding joints for industrial and heavy-duty applications. Flux Cored Wires marks a strategic expansion beyond core metallurgy, positioning us in the industrial welding segment and supporting infrastructure and fabrication sectors.

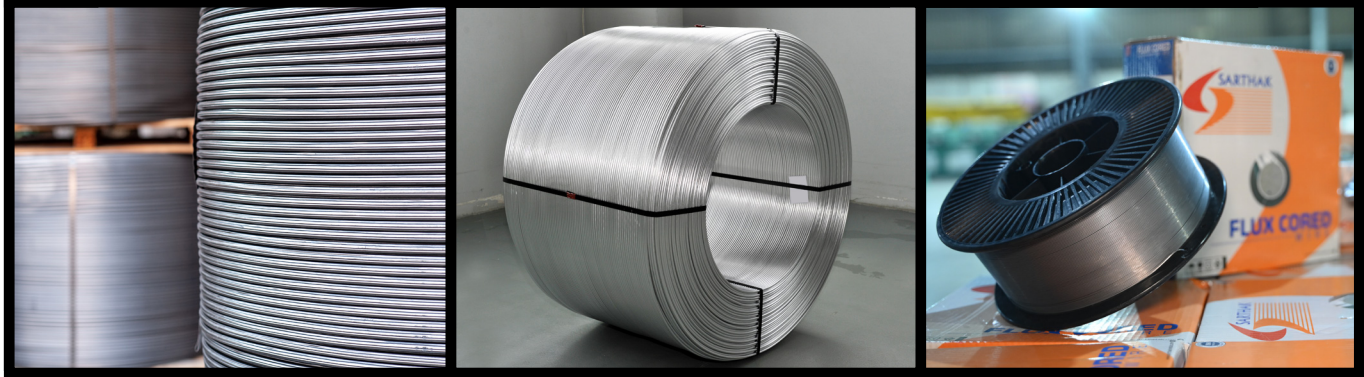
EACH PRODUCT IS UNDERPINNED BY ROBUST R&D, STRINGENT QUALITY CONTROLS, AND DEEP METALLURGICAL INSIGHT, MAKING SARTHAK METALS NOT ONLY A PREFERRED VENDOR BUT ALSO A COLLABORATIVE SOLUTIONS PARTNER FOR STEEL PRODUCERS, FOUNDRIES, FABRICATORS, AND INFRASTRUCTURE DEVELOPERS.

KEY PRODUCT CATEGORIES

01CORED WIRES

02ALUMINIUM FLIPPING COILS

03FLUX CORED WIRES



PRODUCT PORTFOLIO (CONTD.)



Cored Wires

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

Unlike traditional single-shot alloy addition, cored wires ensure homogeneous dispersion, minimize wastage, and offer enhanced metallurgical control. This results in improved productivity, superior steel cleanliness, and greater consistency – key differentiators in today’s competitive market.

ADVANTAGES:

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

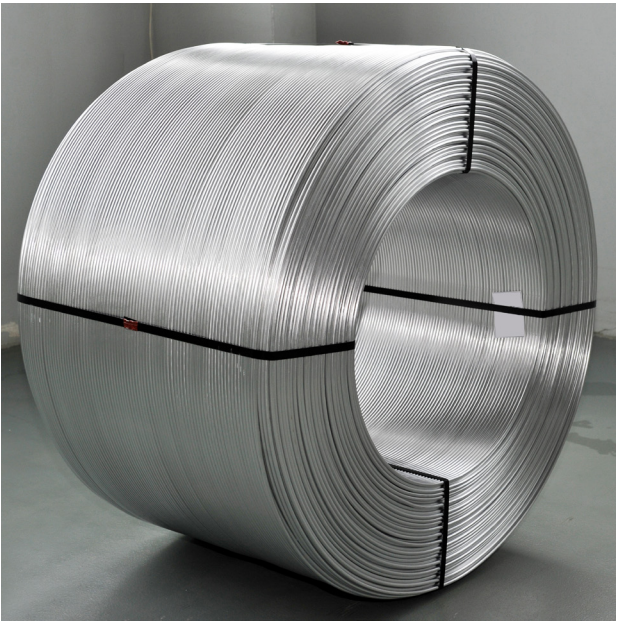
By enabling these processes, our cored wires directly contribute to producing high-quality steel with tailored characteristics and mechanical properties.

KEY PRODUCTS:

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

APPLICATION INDUSTRIES:

Steel, Stainless Steel, Foundries



Aluminium Flipping Coils

Our Aluminium Flipping Coils are essential for steel deoxidation and alloying. Renowned for their performance and cost-effectiveness, these coils ensure the production of clean, high-grade steel.

ADVANTAGES:

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

Aluminium facilitates the formation of ‘pancake’ ferrite grains, which are critical for automotive and industrial-grade steels. Compared to ingots or notch bars, our coils offer superior economy, precision, and operational convenience, making them indispensable in efficient steel plants.

APPLICATION INDUSTRIES:

Steel Mills, Flat and Long Product Manufacturers, Automotive-Grade Steel Producers



Flux Cored Wires

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

ADVANTAGES:

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

KEY PRODUCTS:

We offer 7 grades across three product families:

- Carbon Steel
- Stainless Steel
- Hardfacing

APPLICATION INDUSTRIES:

Shipbuilding, Infrastructure & Construction, Fabrication Workshops, Mechanical Engineering, Hardfacing & Surfacing Applications

THIS SEGMENT IS A SIGNIFICANT GROWTH DRIVER AS WE DIVERSIFY OUR OFFERINGS AND STRENGTHEN OUR PRESENCE IN INFRASTRUCTURE AND HEAVY ENGINEERING SECTORS.



Wire Injection Systems

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

KEY PRODUCTS:

We offer customized machines in both 2-strand and 4-strand configurations, capable of feeding wires from 5 mm to 15 mm in diameter at speeds up to 300 metres per minute. These systems ensure seamless control over alloy injection and metallurgical transformation, enhancing both quality and yield.

As India’s steel manufacturing capacity expands, we are actively deploying these systems across client facilities. This forward-integrated approach enables us to build long-term partnerships, deepen our integration into customers’ production value chains, and drive consistent, repeat business.

NEW FRONTIER: FLUX CORED WIRE

Expanding Beyond Metallurgy

Sarthak Metals’ legacy is deeply embedded in the steel industry, where our metallurgical solutions have empowered steelmakers to enhance quality, optimize costs, and improve yields. As the manufacturing landscape evolves, so do we — embarking on a new chapter that extends our expertise beyond traditional industries into the high-potential domain of Flux Cored Wires (FCWs).

FORAY INTO FLUX CORED WIRES POSITIONS US TO LEVERAGE THE GROWTH OPPORTUNITIES IN THE WELDING CONSUMABLES SECTOR, ESPECIALLY IN FABRICATION, INFRASTRUCTURE AND BEYOND.

A STRATEGIC PIVOT WITH PURPOSE

Our entry into the FCW market is a deliberate, forward-looking initiative that leverages our core manufacturing expertise in cored wires, and allows us to leverage growth opportunities in India’s growing infrastructure boom.



Expanding Beyond Core Metallurgy

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



Leveraging Technical Expertise

Our established proficiency in cored wire manufacturing provides a strong foundation for success in the FCW segment. With robust process know-how and quality control systems, we ensured rapid learning and accelerated time-to-market in this segment.



Aligning with India’s Infrastructure Growth

India’s ongoing infrastructure expansion — spanning construction, shipbuilding, automotive, and power sectors — has fueled demand for reliable, high-performance welding consumables. Sarthak Metals is poised to meet this demand with its advanced FCW solutions.



Delivering a Strong Value Proposition

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



Supporting Import Substitution

Our foray into FCWs aligns with India’s vision of industrial self-reliance (*Atmanirbhar Bharat*). The domestic market’s dependence on imports, particularly from China, presents a significant opportunity for indigenous manufacturing — an opportunity Sarthak Metals is primed to capture.

INNOVATION IN EVERY STRAND

Flux Cored Wires represent a sophisticated class of welding consumables, integral to Flux Core Arc Welding (FCAW). These wires feature a flux-filled core encased in a metal sheath, which, upon melting, generates a protective gas shield around the weld joint — ensuring superior strength, efficiency, and finish.

Key Product Benefits:

- High deposition rates for accelerated welding
- Clean, aesthetically appealing welds
- Effective for welding thicker sections
- High mechanical strength and impact resistance
- Customizable alloy compositions for specialized applications
- Excellent tolerance to surface impurities, minimizing preparation work



NEW FRONTIER: FLUX CORED WIRE (CONTD.)



VERSATILE APPLICATIONS
ACROSS CORE INDUSTRIES

Our FCWs are engineered for performance in demanding environments, serving:



Fabrication workshops and mechanical industries



Heavy engineering and construction projects



Shipbuilding and automotive manufacturing



Structural steel welding



Hardfacing and wear-resistant surfacing



Welding of carbon, alloy, stainless, and duplex steels

MARKET DRIVERS AND STRATEGIC OPPORTUNITY

The market dynamics for FCWs are robust and expanding:

- India's Infrastructure Boom:**
Large-scale projects in metro rail, highways, ports, and energy are driving demand for fast, reliable, high-strength welding solutions.
- Complex Welding Requirements:**
Sectors such as shipbuilding, railways, and defense require FCWs to weld thicker, more challenging materials – beyond the capabilities of traditional solutions.
- Faster Project Turnarounds:**
FCWs enable higher welding speeds and reduced downtime, making them the preferred choice for project managers.
- Technological Advancements:**
Ongoing innovation in flux chemistry and alloy design is broadening the scope of FCWs for both general and mission-critical applications.

Our expansion into FCWs is not just a business expansion – it is a strategic alignment with the national agenda for industrial self-reliance. With India currently importing the majority of its FCW requirements, predominantly from China, we are positioned to offer a credible, high-quality domestic alternative.

SCALING CAPACITY

FY24: COMMISSIONED A FCW FACILITY

1,200 TPA

FY25: EXPANDED CAPACITY TO

~3,600 TPA

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

CURRENT CERTIFICATION MILESTONES

We currently produce 7 grades across 3 categories - carbon steel, stainless steel, and hardfacing wires. All our FCW products are manufactured under stringent quality standards and certified for industrial reliability:

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

FORGING AHEAD WITH PURPOSE

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

We are proud to power India's self-sufficiency agenda, reduce import dependence, and provide high-performance, locally manufactured alternatives that meet global benchmarks.



MANUFACTURING EDGE

Precision, Scale and Sustainability

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

STRATEGICALLY LOCATED FOR OPERATIONAL SYNERGY

Our 3 state-of-the-art manufacturing facilities are strategically situated in Bhilai, Chhattisgarh — India’s steel heartland. This proximity to major clients enables seamless coordination, efficient logistics, and rapid response times. Spanning a cumulative area of approximately 450,000 sq. ft., with dedicated space for future expansion, these facilities support all our product verticals: Cored Wires, Aluminium Flipping Coils, and the recently launched Flux Cored Wires. Every aspect of the plant is designed for operational efficiency and scalability.

IN-HOUSE ENGINEERING FOR PRECISION AND PERFORMANCE

Each facility is equipped with advanced machinery, much of which is designed and developed by our in-house engineering teams. This capability allows us to tailor equipment to specific product requirements, ensuring stringent process control and consistent quality outcomes. Our in-house workshop is integral to maintaining this autonomy, enabling us to uphold the precision standards our clients expect.

SUBSTANTIAL AND SCALABLE PRODUCTION CAPACITIES

We operate with a dual focus on scale and agility. As of FY25, our installed manufacturing capacities are:

10,000 TPA

CORED WIRES: ACROSS 4 MANUFACTURING LINES

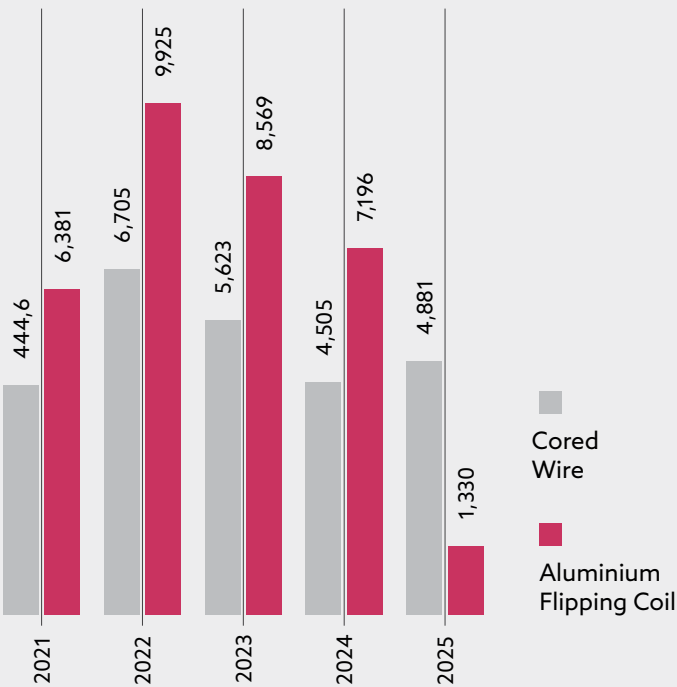
15,000 TPA

ALUMINIUM FLIPPING COILS: ACROSS 2 LINES

3,600 TPA

FLUX CORED WIRES: ACROSS 3 LINES

Production Trends (In TPA)



COMMITMENT TO QUALITY, TESTING, AND R&D

Quality assurance is the foundation of our manufacturing philosophy. All facilities are ISO 9001:2008 certified and feature a fully equipped, state-of-the-art chemical laboratory. Our lab includes an Atomic Absorption Spectrophotometer, enabling rigorous testing of both raw materials and finished products to ensure precise chemical composition.

Our experienced R&D team drives product innovation and process optimization, developing new industrial formulations and refining methodologies to enhance product performance and cost efficiency — a competitive advantage we extend to our clients.

WAREHOUSING AND SUPPLY-CHAIN ASSURANCE

Reliable supply is as critical as product quality. Our warehousing infrastructure in Bhilai ensures uninterrupted material and finished goods flow, with storage capacities as follows:

Cored Wires

1,500 sq. M.
2,000+ TONNES

Aluminium Flipping Coils

2,800 sq. M.
4,000+ TONNES

Flux Cored Wires

1,000 sq. M.

This robust warehousing capability enables us to fulfill bulk orders promptly and respond to dynamic market demands with minimal lead times, reinforcing our reputation as a reliable supplier to India’s top steel mills.

GREEN MANUFACTURING AND SUSTAINABLE PRACTICES

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

OUR MANUFACTURING EDGE IS DEFINED BY PRECISION ENGINEERING, OPERATIONAL EXCELLENCE, AND A STEADFAST COMMITMENT TO QUALITY AND SUSTAINABILITY — ENABLING US TO DELIVER SOLUTIONS THAT ARE ENGINEERED TO PERFORM AND BUILT TO LAST.

LETTER TO SHAREHOLDERS

Resilience, Adaptation, and Strategic Diversification



Dear Shareholders,

FY25 was a year that truly tested our resilience. I am pleased to report that we navigated these challenges with determination and discipline, further reinforcing our capabilities and commitment to long-term value creation.

NAVIGATING INDUSTRY HEADWINDS WITH DISCIPLINE

The year unfolded amid economic uncertainty and persistent headwinds in the industrial sector. Our core businesses — Cored Wires and Aluminium Flipping Coils — faced pressures from a sluggish phase in the Indian steel industry, subdued demand, and increased competition to the steel industry from low-cost imports. Notably, steel imports from China reached a 7-year high, intensifying competition for domestic manufacturers and allied industries. Volatile raw material costs, global supply chain disruptions, and margin pressures added further complexity.

Despite these challenges, we maintained a disciplined approach. We prioritized profitability over volume, exercising commercial restraint where margins were at risk. For example, we strategically scaled down our aluminium flipping coil operations rather than engage in unsustainable price competition. Conversely, in segments demonstrating resilience — such as cored wires and welding consumables — we strengthened our market position and captured additional market share.

TURNING THE CORNER IN CORE BUSINESS

In the latter part of the year, we observed early signs of recovery in our core steel-linked businesses. Our flagship cored wire segment saw improved volumes in the second half, supported by recovering demand and renewed customer & industry confidence. Despite intense pricing pressures, our technical expertise and service reliability enabled us to not only maintain but also grow our market share.

While the aluminium flipping coil business was scaled down significantly from FY24 levels, we began to see stabilization in the domestic market, particularly with the shift to local scrap sourcing. With improving price realizations and stabilizing input costs, we are cautiously optimistic about sustainably ramping up volumes in the periods ahead.

FORGING NEW OPPORTUNITIES WITH FLUX CORED WIRES

A highlight of FY25 was the growing acceptance of our Flux Cored Wires (FCWs) — our inaugural venture beyond core metallurgy into the fabrication and welding sector, an estimated ~₹ 3,000 Crore market in India still dominated by unorganized players. Our FCW business achieved ₹ 7.20 Crore in revenue this year. While this is a modest contribution in the context of our overall business size, it reflects progress, with multiple product and customer approvals now secured.

Encouraged by this momentum, we expanded our FCW capacity from 1,200 TPA to nearly 3,600 TPA. Our BIS-certified FCWs, available in carbon steel, stainless steel, and hardfacing variants, are increasingly being adopted across construction, shipbuilding, fabrication, and other industrial sectors. We continue to invest in expanding our distribution network, strengthening technical capabilities, and building enduring client partnerships to establish a strong foothold in this segment.

BUILDING FOR A DIVERSIFIED FUTURE

Our strategic vision is clear: to evolve from a steel consumables supplier to a diversified industrial solutions provider, with Flux Cored Wires marking the first step. We are also investing in the biotechnology sector through a pilot R&D facility in Nagpur, in partnership with CSIR. Our focus is on developing enzyme technologies for sustainable applications such as bioethanol and biogas production. As we refine our approach in this vertical, we see promising long-term opportunities in the health and nutrition segment — a rapidly growing, export-oriented market. While this initiative is in its early stages and not expected to contribute materially to revenues in the near term, we are laying a strong foundation through IP-driven research, strategic collaborations, and talent development.



Our strategic vision is clear: to evolve from a steel consumables supplier to a diversified industrial solutions provider, with Flux Cored Wires marking the first step.

STAYING LEAN WITH A ROBUST BALANCE SHEET

Our financial performance this year reflected deliberate strategic choices. With the scale-down in aluminium flipping coil operations, Revenue for FY25 stood at ₹ 178.42 Crore, a 42% decline year-on-year. Profit margins were impacted by lower revenues and increased investments in new business initiatives. Nevertheless, we maintained a debt-free balance sheet, ending the year with a cash surplus, ensuring ample flexibility to fund future growth without external borrowing.

CONTINUED FOCUS ON OPERATIONAL EXCELLENCE

In FY25, we intensified our focus on operational efficiency — optimizing inventory levels and optimising raw material utilization. We also had support in energy cost savings by leveraging our 400 KW solar power plant to meet a significant portion of our energy needs captively. This initiative has reduced electricity costs by nearly 50% and supports our sustainability objectives. In our aluminium division, over 75% of production now utilizes recycled scrap, underscoring our commitment to responsible and efficient manufacturing.

LOOKING AHEAD WITH MEASURED OPTIMISM

While challenges remain — ranging from global steel market volatility and input cost fluctuations to evolving policy landscapes — we are encouraged by recent protective duties announced by the Indian government for the steel industry, early signs of recovery in cored wires, growing traction in welding consumables, and the potential of our diversification initiatives.

Our strategy is to build new growth engines that complement our core strengths, enhance resilience against sectoral cycles, and enable us to serve a broader spectrum of industries and geographies. With a strong balance sheet, disciplined execution, and a new generation of leaders committed to continuity and innovation, we are well-positioned to build a future as enduring as the steel we produce.

As we close FY25, we do so with renewed strength, sharper focus, and a broader vision for the future.

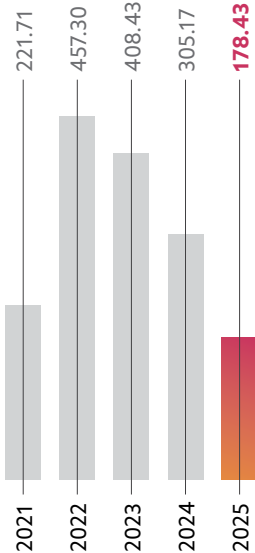
Warm regards,

Anoop Kumar Bansal
Managing Director
Sarthak Metals Limited

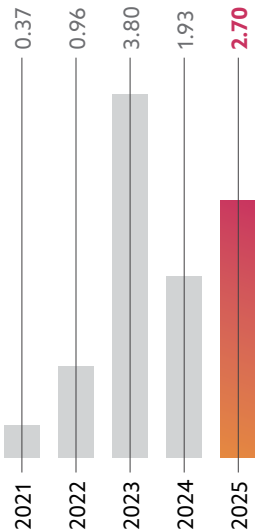
KEY PERFORMANCE INDICATORS

Tough Year.
Tougher Resolve.

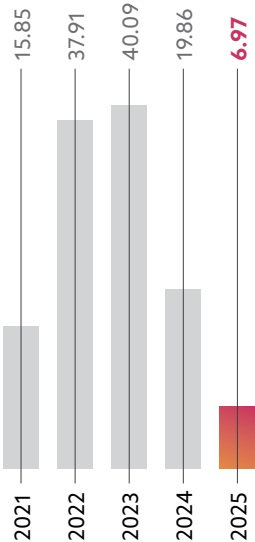
REVENUE FROM OPERATIONS
(In ₹ Crores)



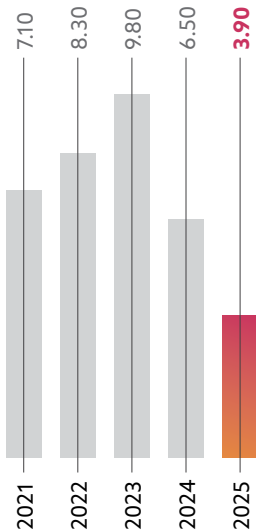
OTHER INCOME
(In ₹ Crores)



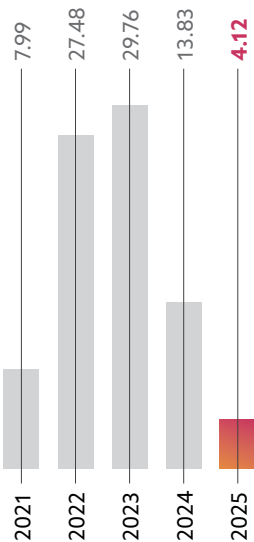
OPERATING PROFIT
(In ₹ Crores)



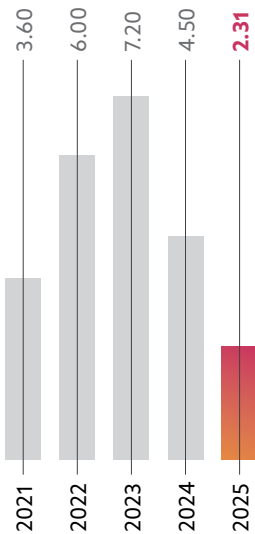
OPERATING PROFIT MARGIN
(In %)



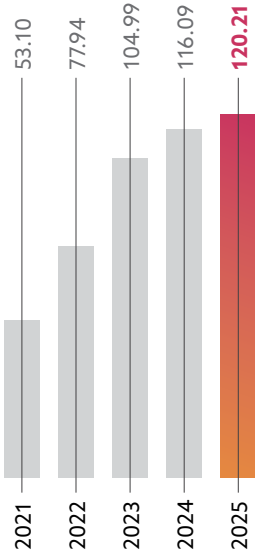
PROFIT AFTER TAXES
(In ₹ Crores)



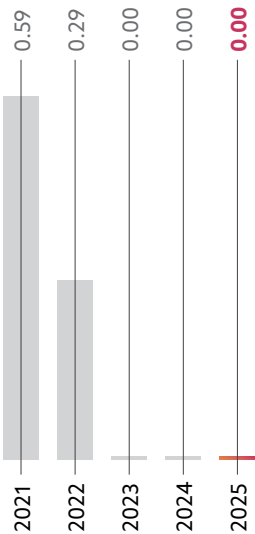
PROFIT AFTER TAXES MARGIN
(In %)



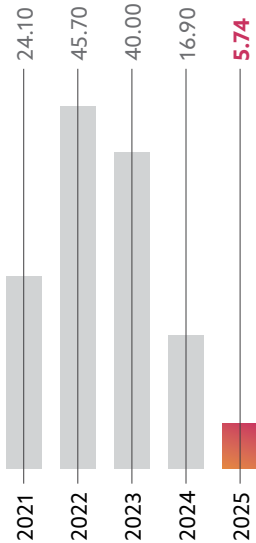
EQUITY
(In ₹ Crores)



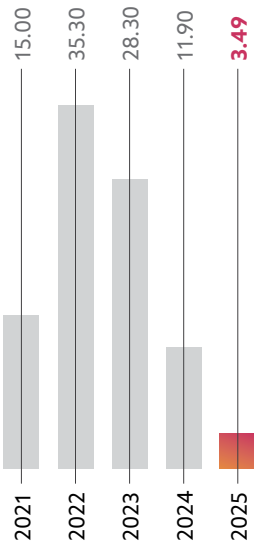
TOTAL DEBT TO EQUITY
(In Times)



ROCE
(In %)



ROE
(In %)



Note: Operating Profit and Operating Profit Margin is adjusted for Other Income i.e. EBITDA less Other Income

GROWTH BLUEPRINT

Strategy for Sustainable Growth

At Sarthak Metals, growth is a deliberate, purpose-driven pursuit anchored in prudent strategy and consistent performance. Guided by a well-defined roadmap and disciplined execution, we are establishing the foundation for future-ready leadership. Our approach encompasses diversifying our product offerings, expanding production capacities, entering new markets, and embedding sustainability into our core operations. We are building for tomorrow:

SMARTER, BROADER, DEEPER, AND GREENER.

01

DIVERSIFYING OUR PORTFOLIO



From Metallurgy to Multi-Sectoral Opportunities

To strengthen our competitive position and unlock new avenues for growth, we are expanding beyond our traditional metallurgical consumables portfolio.

- Flux Cored Wires: A Strategic Advancement**
Our entry into the production of Flux Cored Wires marks a transformative shift, enabling us to serve applications outside the metallurgical and steel sectors. This initiative represents the beginning of our sectoral diversification, granting access to better-margin opportunities and enhancing our industrial relevance.
- Enhancing Core Offerings with Value-Added Products**
While we diversify, we remain committed to deepening our expertise within existing verticals. We are broadening our cored wire range to include variants tailored for foundries and emerging industrial applications. This dual focus on innovation and enhancement allows us to respond dynamically to evolving market demands.

02

STRATEGIC CAPACITY EXPANSION



Built for Agility. Ready for Scale.

To stay ahead of market trends, we are investing in the expansion of our production infrastructure.

- Capacity Within Existing Verticals**
We have significant capacities in our primary product line — Cored Wires — enabling us to serve a large customer base with greater efficiency.
- Recently Concluded Expansion in Flux Cored Wires**
Responding to robust market traction, we have concluded a strategic capacity enhancement in our Flux Cored Wire segment. Upon completion, our manufacturing capacity has increased from 1,200 TPA to 3,600 TPA, positioning us as a formidable player in this rapidly expanding market.

03

GLOBAL EXPANSION AND CLIENT PENETRATION



Geographic Reach Meets Strategic Relationships

We are intensifying our international presence while nurturing deeper relationships with key domestic and global clients.

- Consistent Export Growth**
Since initiating exports over a decade ago, we have built a reputation for quality, reliability, and service. We are now focused on scaling our global reach by entering new markets and strengthening engagement in existing ones, thereby diversifying revenue streams and enhancing overall realizations.
- Client-Centric Approach**
Our strategy emphasizes reinforcing relationships with industry leaders in steel and metallurgy, fostering client trust and ensuring repeat business.

04

EXPLORING ALTERNATE APPLICATIONS



Versatility Drives Market Opportunity

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

- Expanding Usage Horizons**
In our Flux Cored Wires category, we continue exploring applications in industries such as construction, shipbuilding, and fabrication. These initiatives are designed to diversify revenue sources and enhance product relevance across allied sectors.
- New Product Introductions**
We are planning to introduce innovative variants within the Flux Cored Wire segment, paving the way for further market penetration and customer acquisition.

05

DRIVING EFFICIENCY AND SUSTAINABILITY



Green Thinking. Lean Operations.

- Harnessing Renewable Energy**
The deployment of a 400 KW solar power plant at our facility has significantly reduced our carbon footprint and halved electricity costs through captive consumption.
- Inventory and Efficiency Management**
By maintaining lean inventory levels and streamlining operations, we are improving working capital efficiency and ensuring rapid response to customer needs.

THROUGH STRATEGIC DIVERSIFICATION, CAPACITY EXPANSION, PRODUCT INNOVATION, AND A STEADFAST COMMITMENT TO SUSTAINABILITY, WE ARE CHARTING A PATH FOR ENDURING, RESPONSIBLE GROWTH AND INDUSTRY LEADERSHIP.

SUSTAINABILITY

Shaping a Responsible Future

Sustainability is embedded in our strategy, operations, and core values. We recognize that genuine progress is measured not only by growth, but by our ability to safeguard the environment, uplift communities, and uphold the highest standards of governance.

In FY25, we reaffirmed our commitment to this philosophy, making significant strides in responsible energy use, circular manufacturing, and inclusive development. For us, sustainability is not a fixed destination but an ongoing journey — one which we are pursuing with clarity and purpose.

THROUGH CONCERTED EFFORTS, WE CONTINUE TO SHAPE A FUTURE WHERE SUSTAINABLE GROWTH, ENVIRONMENTAL STEWARDSHIP, AND SOCIAL RESPONSIBILITY ARE INSEPARABLE FROM OUR BUSINESS SUCCESS.



POWERING PROGRESS WITH CLEAN ENERGY

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



EMBRACING CIRCULAR MANUFACTURING

We have adopted circular economy principles in our aluminium coil production by integrating recycled materials into our processes. Currently, ~75% of the aluminium used in our Aluminium Flipping Coil production is sourced from recycled scrap. Producing aluminium from recycled material requires just 5% of the energy needed for primary production, enabling us to significantly reduce our carbon footprint, conserve natural resources, and lower energy intensity — while maintaining the highest product quality standards.



EMPOWERING PEOPLE AND ENRICHING COMMUNITIES

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



STRENGTHENING GOVERNANCE AND UPHOLDING TRUST

Robust governance is the bedrock of sustainable business. We maintain rigorous standards of ethical conduct, compliance, and transparency in all our operations. From stakeholder engagement to internal controls, we are dedicated to responsible decision-making and long-term value creation.

CLIENT RELATIONSHIPS

Building Value Through Lasting Relationships

We view client relationships as enduring partnerships, forged through a shared commitment to quality, reliability, and performance. Over the decades, we have become the preferred supplier to many of India’s largest and most discerning steel producers, earning their trust through the consistent delivery of high-impact metallurgical solutions.

Our reputation extends beyond the materials we supply; it is defined by the values we uphold — uncompromising quality, reliability, and a partnership approach that endures. Every fulfilled order and every nurtured relationship reaffirms our role as a dependable, solution-oriented partner.

A GLIMPSE INTO OUR CLIENT ECOSYSTEM

Client Profile: STEEL PLANTS FABRICATION UNITS FOUNDRIES	125+ TOTAL CUSTOMERS SERVED	40% TOP 5 CLIENTS REVENUE CONTRIBUTION	45+ CLIENTS RELATIONSHIPS >10 YEARS
	~85% REVENUE FROM REPEAT BUSINESS	25 NEW CLIENTS ONBOARDED IN FY25	40+ CLIENTS RELATIONSHIPS BETWEEN 5-10 YEARS



WHERE QUALITY IS NON-NEGOTIABLE

Our products are integral to refining and optimizing steel output, where precision and consistency are critical. The stakes are high, and our clients — such as steel plants, foundries, and fabrication units — place immense value on quality assurance. This trust has been earned over time, shipment after shipment, through steadfast performance.

Today, 85% of our business is generated from repeat orders, a clear testament to the confidence our clients place in us. We have established ourselves as the supplier of choice for India’s top 5 steel producers, reflecting the industry’s trust and respect.



TIMELY DELIVERY BACKED BY OPERATIONAL READINESS

Our commitment to on-time delivery distinguishes us in the marketplace. With a strong focus on supply chain agility, we have invested in robust warehousing and raw material buffers, enabling us to respond swiftly to urgent or large-volume orders. This operational discipline provides our clients with peace of mind, knowing their requirements will be met reliably and promptly.



UNDERSTANDING NEEDS, DELIVERING TAILORED SOLUTIONS

We collaborate directly with product users — metallurgists, engineers, and plant managers — who possess deep operational insight. By engaging at this level, we tailor our offerings to the precise chemical compositions and metallurgical specifications required by each client. This consultative approach not only enhances outcomes but also builds trust at every stage of the value chain.



EXPANDING HORIZONS, GROWING TRUST

While steel remains our core focus, we are expanding our presence in the foundry sector, particularly in the SG Iron casting segment. This area serves diverse end-user industries, including agriculture (farm equipment and tractors), automotive, railways, and defence. Our strategic diversification broadens our market reach while staying true to our metallurgical expertise, and our value-added solutions are making a tangible impact in these high-potential segments.

Domestic Clients

Export Clients

OUR CLIENT RELATIONSHIPS ARE BUILT ON A FOUNDATION OF TRUST, STRENGTHENED BY TIME, AND SUSTAINED THROUGH A RELENTLESS FOCUS ON QUALITY, RELIABILITY, AND PARTNERSHIP.

THE LEADERSHIP

Shared Commitment to Excellence

Board of Directors



MR. SUNIL KUMAR AGARWAL
Chairman & Non-Executive, Non-Independent Director

Mr. Sunil Kumar Agarwal holds an Honours degree in Mechanical Engineering and brings with him a distinguished career spanning the public and technical domains. He has held key leadership positions in reputed institutions such as GCET Raipur and served with distinction in the Indian Railways Traffic Services. His tenure includes pivotal roles such as Divisional Railway Manager, Chief Commercial Manager at South East Central Railway, and Additional Member in the Ministry of Railways. His extensive experience and leadership acumen play a vital role in shaping our organisational direction and growth trajectory.



MR. ANOOP KUMAR BANSAL
Managing Director

Mr. Anoop Kumar Bansal brings sharp strategic insight and deep operational expertise that continue to shape the growth journey of Sarthak Metals. A Commerce graduate from Nagpur, he has been instrumental in defining the Company's strategic roadmap, combining innovative commercial thinking with hands-on leadership. Mr. Bansal also plays a pivotal role in the broader Desraj Bansal Group, heading the ferroalloys division and previously overseeing the industrial gases business. His leadership extends beyond business performance as he actively champions the Group's CSR initiatives, reflecting his strong commitment to responsible and inclusive growth. His multi-faceted experience and values-driven approach continue to be a driving force behind our sustained success.



MR. SANJAY SHAH
Whole-Time Director

Mr. Sanjay Shah is a key pillar of our leadership team, spearheading the Marketing division with strategic foresight and deep industry acumen. His efforts have been instrumental in establishing a robust domestic footprint, forging enduring relationships with some of the largest and most respected steel institutions in India. Under his leadership, we have secured long-term partnerships with leading steel mills, significantly strengthening our market position. Mr. Shah's ability to align client needs with our product strengths has not only driven business expansion but also enhanced our reputation as a trusted industry partner. His contributions remain vital to our continued growth and client-centric approach.



MR. MAYUR BHATT
Whole-Time Director and Chief Executive Officer

Mr. Mayur Bhatt plays a pivotal role in seamlessly integrating our production and sales operations. With astute managerial capabilities, he ensures the smooth functioning of our day-to-day business and financial affairs, fostering operational excellence at every level. Mr. Bhatt also leads our raw material management efforts, strategically optimising procurement and utilisation to enhance efficiency and cost-effectiveness. His leadership has been instrumental in improving organisational performance, driving sustainable growth, and reinforcing our position in a highly competitive market.



MS. RAMA KOHLI
Non-Executive, Independent Woman Director

Ms. Rama Kohli brings a rich blend of academic excellence and diverse professional experience to our Board. A graduate in Science with a Post Graduate Diploma in Business Management from Pt. Ravishankar Shukla University, she contributes sharp strategic insight and thoughtful counsel. With a strong background in management advisory services, Ms. Kohli offers a nuanced understanding of business dynamics. Her independent perspective and broad industry exposure significantly strengthen the Board's decision-making capabilities and governance oversight.



MR. SUNIL DUTT BHATT
Non-Executive, Independent Director

Mr. Sunil Dutt Bhatt brings to our Board over 37 years of rich industry experience, having served in the Instrumentation and Weighing Division at Bhilai Steel Plant, a key unit of SAIL. Since joining us in 2021, following his retirement in 2020, Mr. Bhatt has played a vital role in enriching our strategic direction with deep technical expertise and nuanced understanding of steel plant operations. His seasoned perspective continues to be a valuable asset in guiding our Company's growth and operational efficiency.



MR. DWADASI VENKATA GIRI
Non-Executive, Independent Director

Mr. Dwadasi Venkata Giri brings a strong foundation in banking, finance, and legal affairs to our Board. A postgraduate in Commerce from Pt. Ravishankar Shukla University, he combines financial acumen with deep legal insight, contributing meaningfully to our strategic decision-making processes. His expertise enhances the effectiveness of our governance framework and adds rigour to our financial oversight, making him an integral part of our leadership.

Second Generation Leaders

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



MR. GAURAV AGARWAL
General Manager - Import and Export

Mr. Gaurav Agarwal joined Sarthak Metals in 2013 and brings strong technical acumen to the team. A graduate in Metallurgical Engineering from the prestigious IIT Bombay, he plays a key role in driving our export sales operations. His deep understanding of metallurgical processes and international market dynamics has been instrumental in expanding our global footprint and strengthening our position in overseas markets.



MR. SAMARTH BANSAL
Deputy General Manager - Plant

Mr. Samarth Bansal has been an integral part of Sarthak Metals since 2017. An Automobile Engineer by qualification, he brings a sharp engineering mindset and operational rigour to the production function. With a keen focus on efficiency, quality control and process optimisation, he plays a pivotal role in ensuring smooth and consistent plant operations, aligning production output with the highest industry standards.



MR. SAGAR SHAH
Vice President Purchase and Sales

Mr. Sagar Shah joined Sarthak Metals in 2017. A qualified Civil Engineer, he plays a key role in overseeing the Marketing and Procurement functions. His contributions have been instrumental in strengthening supplier relationships and expanding our market reach.



MR. SARTHAK BANSAL
Deputy General Manager - Marketing

Mr. Sarthak Bansal became a part of Sarthak Metals in 2019. A Civil Engineer with a Master's in Business Administration, he plays an active role in managing the Company's day-to-day operations. His technical acumen combined with managerial insight supports operational efficiency and organisational growth.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

ECONOMIC OVERVIEW

Indian Economy

India's economic performance in FY25 remained robust amidst global uncertainties, underscoring the nation's resilience and adaptability. According to the Economic Survey 2024-25, India's real Gross Domestic Product (GDP) is estimated to have grown by 6.4% in FY25, aligning closely with its decadal average. This growth trajectory is supported by a balanced expansion across key sectors: agriculture is projected to rebound with a growth of 3.8%, industry is expected to grow by 6.2%, and the services sector is anticipated to maintain a strong performance with a 7.2% increase.

On the demand side, private final consumption expenditure is estimated to grow by 7.3% at constant prices, driven by a resurgence in rural demand. This uptick reflects improved agricultural output and targeted government initiatives aimed at enhancing rural incomes.

Inflationary pressures have moderated, with retail headline inflation softening from 5.4% in FY24 to 4.9% during April-December 2024. This decline is attributed to effective monetary policy measures and easing supply-side constraints.

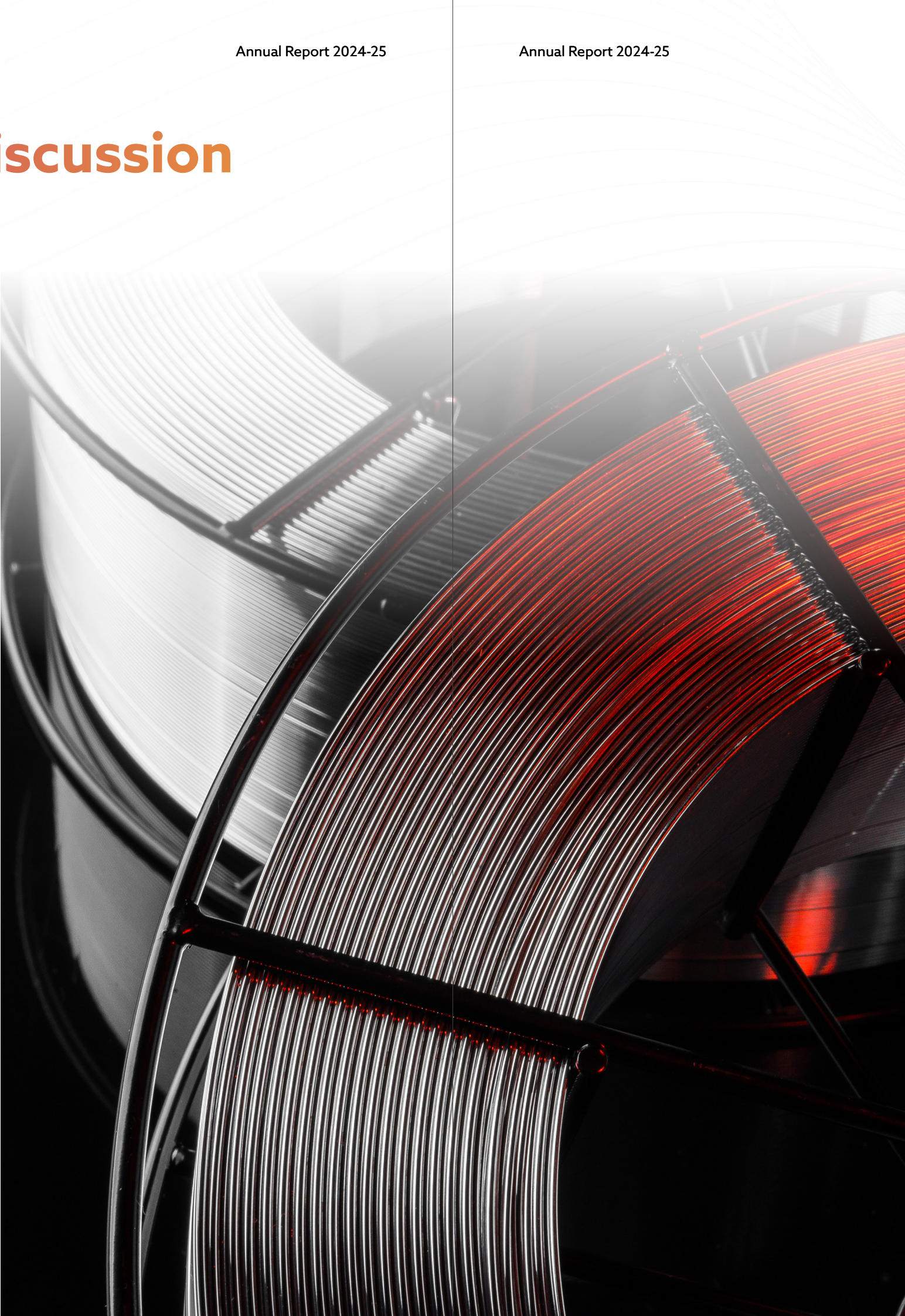
The government's focus on capital expenditure (CAPEX) has been constant, with a year-on-year growth of 8.2% during July-November 2024. This sustained investment in infrastructure is expected to crowd in private investment and bolster long-term economic growth.

India's external sector has also shown resilience, with non-petroleum and non-gems & jewellery exports increasing by 9.1% during April-December 2024, despite global trade volatilities. This performance underscores the competitiveness of India's manufacturing and services sectors.

The financial sector continues to strengthen, evidenced by steady bank credit growth, improved profitability of Scheduled Commercial Banks, a decline in gross non-performing assets (GNPAs), and a rise in the capital to risk-weighted asset ratio (CRAR). These indicators reflect a robust banking system capable of supporting economic expansion.

Looking ahead, the Economic Survey projects India's real GDP growth for FY26 to be in the range of 6.3% to 6.8%, contingent upon global economic conditions and domestic policy measures. The government's emphasis on grassroots-level structural reforms and deregulation is expected to enhance medium-term growth potential and global competitiveness.

Source: Economic Survey 2024-25, Ministry of Finance, Government of India



INDUSTRY OVERVIEW

Indian Steel Industry

India's steel industry in 2024 and 2025 stands out as a global growth engine, continuing to expand even as other major economies face stagnation or contraction in steel demand. As the world's second-largest steel producer, India's domestic market dynamics, production trends, and investment flows are drawing significant global interest, despite the immediate challenges & competitive pressure from low-cost imports from countries like China & Vietnam.

In 2024, global crude steel production reached 1,884.6 million tonnes (Mt), reflecting a 0.9% contraction in demand to 1,750.9 Mt. A modest rebound of 1.2% is forecast for 2025, bringing global demand to 1,771.5 Mt. Against this backdrop, India has maintained its momentum as the fastest-growing major steel market, producing 149.4 Mt of crude steel in 2024, second only to China's 1,005.1 Mt.

India's steel production has witnessed steady growth over recent years. In 2024-25, crude steel production rose by 4.7% to reach 151.14 Mt, while finished steel output increased by 5.0% to 145.31 Mt1. Domestic consumption surged by 11.3%, reaching 150.23 Mt, underscoring robust demand fundamentals. The country's crude steel capacity stood at 198.5 Mt in 2024-25, keeping it on track to meet the National Steel Policy 2017's ambitious target of 300 Mt by 2030-31.

Demand Drivers

The primary engine of steel demand growth in India remains the government's sustained investment in infrastructure, housing, and urban development. Construction activity, particularly in housing and infrastructure, is expected to drive an 8-9% increase in steel demand in 2025. Manufacturing sectors such as engineering, packaging, and automotive are also contributing to rising steel consumption. Policy support has been significant, with the Production-Linked Incentive (PLI) Scheme for Specialty Steel targeting 42 Mt by 2026-27 and catalyzing new investments and technology upgrades across the sector.

Challenging Pricing Dynamics

India's trade dynamics shifted notably in 2024-25, as the country transitioned from being a net exporter of finished steel to a net importer. Imports surged by 24.5% in 2024, while exports declined by 6.4%. China, Japan, and Vietnam were the leading sources of imports, with China's finished steel exports to India increasing 2.4 times between 2022 and 2024. In response to rising imports and to support domestic producers, the government imposed a 12% safeguard duty on flat steel imports for 200 days in April 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Domestic hot-rolled coil (HRC) prices in India fell by 9% in 2024, pressured by increased imports and softer global prices. However, prices rebounded by 14% in early 2025, following the imposition of safeguard duties. On the input side, coking coal prices declined by 12% in 2024, providing some relief to producers, though iron ore prices rose by 9-10% during the same period. Despite strong demand, profit margins came under pressure due to stiff import competition and subdued global prices, and capacity utilization is projected to fall below 80% in 2024-25, the lowest in four years.

The Indian steel industry is predominantly driven by the private sector, which accounted for 84% of crude steel and 86% of finished steel production in 2024-25. The product mix is skewed towards non-flat products (long steel), which made up 55% of finished steel production, while flat products such as HRC accounted for 45%.

Policy and Regulatory Landscape

Policy frameworks have played a pivotal role in shaping the industry's trajectory. The National Steel Policy 2017 set out clear targets for capacity, production, and per capita consumption by 2030-31. The PLI Scheme's second round, launched in January 2025, saw 42 memoranda of understanding signed and a committed investment of ₹ 27,100 Crore. Quality control has been strengthened through the Steel Quality Control Order (QCO), which enforces BIS standards, with 151 standards notified and 21 more in process. The revamped Steel Import Monitoring System (SIMS 2.0) aims to enhance transparency and data-driven policymaking for imports.

LOOKING AHEAD, INDIA'S STEEL DEMAND IS PROJECTED TO GROW BY 8-9% IN 2025, OUTPACING ALL OTHER MAJOR ECONOMIES. CRUDE STEEL OUTPUT IS EXPECTED TO CONTINUE ITS UPWARD TRAJECTORY, BUOYED BY NEW CAPACITY ADDITIONS AND ROBUST DOMESTIC CONSUMPTION.

Sustainability and innovation have become central to the industry's agenda. R&D funding is being channeled into green steel production, hydrogen-based processes, carbon capture, and waste utilization, with thirteen new R&D proposals funded in 2024-25. The sector is increasingly aligning with global decarbonization trends, with pilot projects and policy incentives supporting the adoption of cleaner technologies.

Outlook

Looking ahead, India's steel demand is projected to grow by 8-9% in 2025, outpacing all other major economies. Crude steel output is expected to continue its upward trajectory, buoyed by new capacity additions and robust domestic consumption. While import pressures are likely to persist, government intervention may help stabilize domestic prices and margins. The industry faces challenges such as global price volatility, import competition, and the imperative for ongoing investment in technology and decarbonization, but India's low per capita consumption, rapid urbanization, and infrastructure push provide ample room for long-term growth.

India's steel industry, building on its resilient performance in 2024 and with a positive outlook for 2025, is poised to remain a global leader in growth. While challenges from imports and global price trends persist, supportive policies, robust demand, and continued investment position the sector for sustained expansion in the coming years.

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

Indian Welding Consumables Industry

The Indian welding consumables market has shown remarkable growth in recent years and is poised for continued expansion. This growth is underpinned by several factors, most notably the rapid expansion of renewable energy projects, robust infrastructure development, and the increasing adoption of advanced welding technologies across key industries.

One of the primary drivers of the market is the surge in renewable energy installations, such as wind and solar power projects. These projects require extensive metal fabrication and joining, thereby fueling the demand for high-quality welding consumables. The oil and gas sector also plays a significant role, as the construction and maintenance of pipelines, storage facilities, and offshore platforms rely heavily on welding processes. Additionally, India's ongoing urbanization and ambitious infrastructure projects — including highways, bridges, and commercial buildings — have further cemented the importance of welding consumables in ensuring the structural integrity and safety of these developments.

Technological advancements are reshaping the market landscape. The adoption of innovative welding techniques, such as laser welding, friction stir welding, and robotic welding, is driving the need for specialized consumables capable of withstanding higher temperatures, pressures, and demanding operational conditions. In the automotive and shipbuilding industries, the shift towards electric vehicles and the use of advanced, lightweight, and high-strength metals have created new opportunities for manufacturers of welding consumables. These sectors demand products that offer superior performance, reliability, and compatibility with modern manufacturing processes.

In terms of product segmentation, stick electrodes remain the dominant category in the Indian market. Their popularity stems from their ease of use, minimal equipment requirements, and versatility in field operations, making them particularly well-suited for the diverse and often challenging conditions prevalent in India. Other significant product segments include solid wires, flux-cored wires, and submerged arc welding (SAW) wires and fluxes, each catering to specific industrial needs and applications.

Arc welding continues to be the most widely used welding technique in India, valued for its flexibility, robustness, and ability to deliver strong welds across a variety of environments. Other techniques, such as resistance welding, oxyfuel welding, and ultrasonic welding, also hold notable market shares, especially in specialized manufacturing and repair applications.

The construction sector stands out as the largest end-user of welding consumables, given the extensive welding requirements in infrastructure projects. The automobile, energy, shipbuilding, aerospace, and industrial equipment sectors also contribute significantly to market demand, each with unique requirements for welding quality, efficiency, and safety.

Several trends are shaping the future of the Indian welding consumables market. The increasing adoption of automation and laser-based welding, particularly in automotive manufacturing, is improving productivity, safety, and fuel efficiency. Sustainability is another key focus, with manufacturers developing eco-friendly consumables to reduce emissions and waste, in line with global environmental standards. Continuous research

and development efforts are yielding innovative products tailored for high-performance applications in sectors like aerospace and defense. Leading companies are also investing in comprehensive customer support and training programs to ensure optimal product usage and compliance with stringent quality standards.

Overall, the Indian welding consumables market is set for sustained growth, driven by infrastructure development, industrialization, and technological progress. With a strong focus on sustainability, automation, and specialized applications, the market is expected to witness significant innovation and diversification in the coming years, solidifying its role as a critical enabler of India's industrial and economic advancement.

Source: IMCAR Group, Maximize Market Research

COMPANY OVERVIEW

Sarthak Metals, the flagship company of the esteemed Desraj Bansal Group, is recognized as India's leading manufacturer and exporter of metallurgical consumables such as Cored Wires, Aluminium Flipping Coils, and has recently launched welding consumables such as Flux Cored Wires. The Company is distinguished by its expertise in precision metallurgy, its role in advancing and fine-tuning steel manufacturing processes, and its latest cutting-edge industrial welding consumables product portfolio.

Headquartered in Bhilai, Chhattisgarh, Sarthak Metals leverages its proximity to a major steel production hub, enabling efficient connectivity and fostering robust industry partnerships. Its commitment to excellence is reflected in its ISO 9001-2000 certified, state-of-the-art manufacturing facilities, which incorporate the latest technological advancements to ensure rigorous testing and inspection for consistently superior quality products.

Renowned as the preferred supplier to some of India's largest steel players, Sarthak Metals has built its reputation on quality and manufacturing expertise. The Company has now extended its presence beyond the steel sector into the fabrication and industrial welding sector.

Embracing diversification, Sarthak Metals has expanded its product portfolio to reinforce its core strengths & enable business diversification. Alongside its established Cored Wires and Aluminium Flipping Coils, the Company is now growing its Flux Cored Wires business. With recent capacity expansion in place in this product category, Sarthak Metals is now better equipped to drive growth in this business division. This strategic expansion not only diversifies its revenue streams but also strengthens its presence beyond the metallurgical sector.

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

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Key Financial Ratios

Particulars	FY25	FY24	% Change	Explanation for change in ratio for more than 25%
Current Ratio	38.60	39.92	-3.33%	NA
Debt-Equity Ratio	0.00	0.00	0.00%	NA
Debt Service Coverage Ratio	10.87	25.23	-56.91%	The reduction in finance costs has been smaller than the decline in profit.
Return on Equity (ROE)	3.49%	12.51%	-72.13%	RoE has declined due to the decline in profits.
Inventory Turnover (Days)	48.54	20.68	134.74%	Mainly Due to decline in Sales/Turnover. Inventory also increased by 35%.
Trade Receivables Turnover Ratio (Days)	84.09	55.50	51.52%	Mainly Due to decline in Sales/Turnover. Receivables also increased by 7.6%.
Trade Payables Turnover Ratio (Days)	1.35	0.45	203.33%	Trade Payables have actually declined by 55%. Since, COGS has declined by more than 40% that has led to increase in Trade Payables turover.
Net Profit Ratio	2.31%	4.53%	-49.04%	The net profit has declined more than the decline in the turnover. Hence, the decline in Net profit ratio.
Net Capital Turnover Ratio (Days)	207.74	115.61	79.69%	Capital invested in Working capital is at the same level as last year. However, due to decline in Turnover the Ratio has suffered.
Return on Capital Employed (ROCE)	5.74%	16.98%	66.19%	RoCE has declined due to the decline in Distributable profits.
Return on Investment (ROI)	3.43%	11.91%	71.23%	RoI has declined due to the decline in Distributable profits.

Outlook

Amid ongoing challenges in the steel & ancillary industries — particularly affecting our core metallurgical consumables segment, including Cored Wires and Aluminium Flipping Coils — Sarthak Metals has demonstrated notable resilience. Despite subdued demand, lower realizations, and increased price volatility, we have sustained our market presence through a focused and strategic approach. Instead of engaging in aggressive price-based competition, we have prioritized higher value-added products, which has helped safeguard our margins in this difficult environment.

A notable highlight of the year has been the strong initial response to our new product category, Flux Cored Wires. Encouraged by this positive momentum, we have expanded our production capacity to meet rising demand and further consolidate our position in this promising segment.

Looking ahead, we remain cautiously optimistic. While challenges persist in our traditional business vertical, the growth of our newer offerings provides a compelling avenue for expansion. Our robust balance sheet and healthy cash reserves give us the flexibility and strength to navigate market uncertainties and seize strategic opportunities. With a continued emphasis on innovation, operational excellence, and disciplined capital allocation, Sarthak Metals is well-positioned to adapt to evolving industry dynamics and capitalize on emerging opportunities in the year ahead.



RISKS AND CONCERNS

Below is an overview of key risks and our proactive mitigation strategies.

RISK	IMPACT	MITIGATION STRATEGIES
 Safety risk	Ensuring the highest safety standards across all production facilities is critical. Any lapse in adherence to safety protocols may result in operational disruptions, legal consequences, and reputational damage.	- Enforce rigorous safety protocols supported by ongoing training initiatives - Conduct regular safety audits and comprehensive risk assessments - Promote a strong safety culture across all levels of the organisation
 Regulatory risk	Changes in trade policies, including removal of favourable regulations such as minimum import prices or anti-dumping measures, could materially impact margins and market competitiveness.	- Closely monitor policy and regulatory changes for timely response - Broaden market footprint to minimise dependence on any single region or policy - Collaborate with industry bodies to advocate for supportive trade frameworks
 Supply chain risk	Disruptions caused by environmental factors, geopolitical tensions, or supplier concentration may impact the continuity of operations and cost efficiency.	- Establish alternative sourcing channels and diversify supplier base - Strengthen supply chain visibility and develop contingency plans - Foster strategic collaboration and communication with key supply partners
 Credit risk	The Company is exposed to credit risk from customers defaulting on payment obligations. Significant defaults can adversely impact cash flows and profitability.	- Conduct thorough credit assessments of customers and partners - Maintain a broad customer portfolio to avoid overdependence - Enforce defined credit terms and maintain close monitoring of receivables
 Commodity fluctuation risk	Volatility in commodity prices, especially ferro alloys, can significantly affect input costs and margins, driven by global and domestic supply-demand dynamics.	- Monitor commodity trends and maintain agile pricing strategies - Diversify product mix to cushion against price sensitivity - Explore hedging and other financial instruments to manage volatility
 Project management risk	Delays or inefficiencies in executing capital projects may lead to cost escalations and operational setbacks, affecting planned growth.	- Adopt structured project planning and execution frameworks - Perform detailed feasibility and risk analyses before project initiation - Encourage cross-functional collaboration and real-time issue resolution

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)**EFFECTIVENESS OF INTERNAL CONTROL SYSTEMS**

We have instituted a strong and comprehensive internal control framework aimed at safeguarding our assets, preventing unauthorised usage or disposal, and ensuring the accurate authorisation, recording, and reporting of all transactions. These systems are meticulously designed to optimize resource allocation, drive operational efficiency, and ensure strict adherence to applicable laws, regulations, and internal policies. Our internal controls also play a critical role in monitoring business processes and reinforcing accountability across the organisation. The reliability and effectiveness of these controls have been independently verified and affirmed by our statutory auditors, further reinforcing stakeholder confidence in the integrity of our systems. Together, these measures form an integral part of our governance architecture, enabling us to operate with transparency, maintain financial discipline, and uphold the trust placed in us by our stakeholders.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

At Sarhak Metals, we regard our employees as the driving force behind our resilience, innovation, and long-term growth. We are deeply committed to nurturing their potential through structured training and development initiatives aimed at enhancing their technical and professional capabilities. Our focus extends beyond

attracting top talent; we strive to be an employer of choice by fostering an inclusive, collaborative, and respectful work environment. We believe that a culture built on trust, transparency, and mutual support is essential to sustaining employee engagement and organisational stability. As of March 31, 2025, our team strength exceeded 145 dedicated individuals - a tribute to our growing human capital. Looking ahead, we remain focused on strengthening these relationships, promoting internal growth opportunities, and ensuring industrial harmony. By continuously investing in our people and prioritising strong employee relations, we are laying the groundwork for sustained success and a stronger tomorrow.

CAUTIONARY STATEMENT

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



Notice of Annual General Meeting

of Sarthak Metals Limited

CIN: L51102CT1995PLC009772

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

Website: www.sarthakmetals.com

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

NOTICE is hereby given that the 30th Annual General Meeting of the Members of **SARTHAK METALS LIMITED** will be held on Friday, July 25, 2025, at 12 noon at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 for transacting the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements:

To receive, consider, and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2025, and the reports of the Board of Directors and the Statutory Auditors thereon.

2. Appointment of a Director retiring by rotation:

To appoint a Director in place of Mr. Sunil Kumar Agrawal (DIN: 08680582), who retires by rotation and being eligible, offers himself for re-appointment.

3. Declaration of Dividend:

To declare a final dividend of ₹ 0.50/- (Fifty Paise) per equity share for the Financial Year ended March 31, 2025.

SPECIAL BUSINESS:

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

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

"RESOLVED THAT, pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Mr. Dwadasi Venkata Giri (DIN: 02565046), who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from July 31, 2020 up to July 30, 2025 (both days inclusive) and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and based on the recommendation of the Nomination & Remuneration Committee and the

Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from July 30, 2025 up to July 29, 2030 (both days inclusive);

RESOLVED FURTHER THAT, the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for giving effect to this resolution."

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

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

"RESOLVED THAT, pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ('SEBI Listing Regulations'), the applicable provisions of the Companies Act, 2013 read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transaction, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the approval of the Company be and is hereby accorded to approve to enter/continue to enter into Material Related Party Transactions/Contract/Arrangement/Agreement (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entity i.e., M/s Bansal Brothers falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, in the course of purchase and sale of goods and services ("Related Party Transactions") on such material terms and conditions ("Related Party Transactions") as may be mutually agreed between M/s Bansal Brothers and the Company for Financial Year 2025-26, such that the maximum value of the Related Party Transactions with such party does not exceed value of ₹ 75 Crores for financial year,

provided that the said Transactions/Contract/Arrangement/Agreement shall be carried out in the ordinary course of business of the Company and in respect of transactions with related party under Section 2(76) of the Companies Act, 2013, are at arm's length basis;

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

6. Ratification of remuneration of Cost Auditor:

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

"RESOLVED THAT, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 40,000/- (Rupee Forty Thousand only) per annum, plus applicable taxes and re-imbursement of out of pocket expenses incurred in connection with the Audit, as approved by the Board of Directors based on recommendation of Audit Committee of the Company, to be paid to M/s Gajadhar Prasad & Co. (Firm Registration No. 003682), Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2026, be and is hereby ratified and confirmed;

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

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,

Bhilai, Chhattisgarh - 490011

CIN: L51102CT1995PLC009772

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

website: www.sarthakmetals.com

Date: June 16, 2025

Place: Bhilai (C.G.)

7. Appointment of Secretarial Auditor:

To consider and if thought fit, pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. Nilesh A. Pradhan & Co. LLP, Company Secretaries (Firm Registration No. L2018MH005200) as the Secretarial Auditor of the Company for five (5) years, commencing on April 01, 2025, until March 31, 2030, to conduct a Secretarial Audit of the Company and to furnish the Secretarial Audit Report;

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors;

RESOLVED FURTHER THAT, the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

By Order of the Board of Directors
SARTHAK METALS LIMITED

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

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THE POLL INSTEAD OF HIM/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. A person can act as proxy on behalf of members not exceeding fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The attendance slip cum Proxy Form is available at the end of this Annual Report.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under item No. 4 to 7 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 4 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
5. In terms of the provisions of Section 108 of the Companies Act, 2013, the business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information related to e- voting are given in the notice under Note No. 24. The Members (including proxies) attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Annual General Meeting.
6. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10:00 a.m. and 4:00 p.m. up to the date of the Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
8. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the meeting along with the ID proof of the authorized representative.
9. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions Of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF.

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

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

Details of RTA:
Name : Sandeep V More
Address : Bigshare Services Private Ltd.
Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre Mahakali Caves Road, Andheri East, Mumbai 400093, Maharashtra, India
Tel : 022-62638200/222/223
Email : investor@bigshareonline.com
10. Members/Proxies/authorized representatives attending the Meeting are requested to bring their copies of Annual Report, together with the attendance slip duly completed and signed, along with Client ID and DP ID numbers. Copies of the Annual Report, together with the attendance slip, will also be available at the AGM venue for filling and submission.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
12. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant, and other who hold shares

in physical form should communicate the change of address, to the Registrar and Share Transfer Agent (RTA) of the Company. Please find below the contact details of RTA:

Bigshare Services Private Ltd.

Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai - 400093, Maharashtra, India.

Email ID: investor@bigshareonline.com

Contact No.: 022-62638200/222/223

13. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The same should be availed through respective depository.
14. The Company has appointed Bigshare Services Private Limited, Mumbai as its Registrar and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfer, DEMAT request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to Registrar directly quoting folio no., full name and name of Company as 'SARTHAK METALS LIMITED' at investor@bigshareonline.com.
15. Any member desiring any clarification/explanation in respect of the information given in this Annual Report is requested to submit query to the Company at least 10 days in advance before the meeting so as to enable the management to keep information ready.
16. The route map of the venue of the Annual General Meeting is annexed at the end of this Report. The prominent land mark near the venue is Bus Stand, Bhilai Power House, Bhilai - 490011, Chhattisgarh, India.
17. In compliance with the aforementioned provisions of the Act and SEBI Listing Regulations, an electronic copy of the Annual Report for the Financial Year 2025 is being sent to all the Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes. In case any Member is desirous of obtaining a hard copy of the Annual Report for the Financial Year 2025 and the Notice of the 30th AGM of the Company, they may send a request to the Company's e-mail address at cs@sarthakmetals.com, mentioning their Folio No./DP ID and Client ID.
18. The Annual Report of the Company will be available on the Company's website www.sarthakmetals.com and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchanges of India limited at www.bseindia.com and www.nseindia.com respectively. As per Section 136(1), the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at cs@sarthakmetals.com.
19. Mr. Atul Jain, Practicing Chartered Accountant (Membership No. 447869), has been appointed as the

Scrutinizer to scrutinize the remote e-Voting process in a fair and transparent manner.

20. Any person who becomes a member of the Company after sending the Notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request to investor@bigshareonline.com. However, if a member is already registered with NSDL for remote e-Voting, then he/she can use his/her existing User ID and password for casting the vote.
21. The results declared along with the scrutinizer's report will be placed on the website of the Company, i.e., www.sarthakmetals.com, under the investors section and on the website of NSDL, i.e., <https://evoting.nsdl.com>. The results shall also be communicated to the Stock Exchanges and will be made available on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com, respectively.
22. The Shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card, or driving license to enter the AGM hall.

DIVIDEND-RELATED INFORMATION

23. Members may note that the Board, at its meeting held on May 22, 2025, has recommended a final dividend of ₹ 0.50/- (Fifty Paise Only) per equity share. The record date for the purpose of final dividend for the Financial Year ended March 31, 2025 is Friday, July 11, 2025. The final dividend, once approved by the members in the ensuing AGM, will be paid within 30 days from the declaration of the final dividend electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent to their registered addresses. We request you to submit/update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you may submit the name and bank account details of the first shareholder along with a cancelled cheque leaf with your name and bank account details and a duly self-attested copy of your PAN card, with the Registrar and Transfer Agent (RTA) of the Company. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

In accordance with the provisions of the Income Tax Act, 1961 ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a Company on or after April 01, 2020, shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents in accordance with the provisions of the IT Act.

TDS rates that are applicable to members depend upon their residential status and classification as per

the provisions of the Act. The Company will therefore deduct tax at source at the time of payment of dividend, at rates based on the category of shareholders and subject to fulfilment of conditions as provided herein below:

For Resident Shareholders:

Tax will be deducted at source under Section 194 of the Act @ 10% on the amount of dividend payable, unless exempt under any of the provisions of the Act. However, in case of Individuals, TDS would not apply if the aggregate of total dividend paid to them by the Company during the Financial Year does not exceed ₹ 5,000.

No TDS will be deducted in cases where a shareholder provides Form 15G (applicable to individual)/Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions as prescribed under the Act are met. Formats of Form 15G/Form 15H are available on the website of the Company and can be downloaded from the link <http://www.sarthakmetals.com/investors-tds-dividends.aspx?mpgid=24>. Please note that all fields mentioned in the forms are mandatory and the Company will not be able to accept the forms submitted, if not filled correctly.

Nil/lower tax will be deducted on dividend payable to the following categories of resident shareholders, on submission of self-declaration. (Format of the Declaration form is available on the website of the Company and can be downloaded from the link <http://www.sarthakmetals.com/investors-tds-dividends.aspx?mpgid=24>).

- **Insurance companies:** Documentary evidence to prove that the Insurance Company qualify as Insurer in terms of the provisions of Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN Card.
- **Mutual Funds:** Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of Section 10 of the Act and is eligible for exemption, along with self-attested copy of the registration documents and PAN Card.
- **Alternative Investment Fund (AIF) established in India:** Documentary evidence to prove that AIF is a fund eligible for exemption u/s 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992). Copy of self-attested registration documents and PAN card should also be provided.
- **National Pension System Trust & other Shareholders:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.

- Shareholders who have provided a valid certificate issued u/s 197 of the IT Act for lower/nil rate of deduction or an exemption certificate issued by the income tax authorities.

Please also note that where tax is deductible under the provisions of the IT Act and the PAN of the shareholder is either not available or PAN available in records of the Company is invalid/inoperative, tax shall be deducted @ 20% as per Section 206AA of the Act.

For Non-Resident Shareholders (including Foreign Institutional Investors and Foreign Portfolio Investors):

- Tax is required to be withheld in accordance with the provisions of Sections 195 and 196D of the IT Act @ 20% (plus applicable surcharge and cess) on the amount of dividend payable.
- As per Section 90 of the IT Act, a non-resident shareholder has an option to be governed by the provisions of the Double Taxation Avoidance Agreement ('DTAA') between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to such shareholder. To avail the DTAA benefits, the non-resident shareholder will have to provide the following documents:
 - Self-attested copy of PAN, if any, allotted by the Indian tax authorities. In case of non-availability of PAN, declaration (Format enclosed as **Annexure D** on the website of the Company at <http://www.sarthakmetals.com/investors-tds-dividends.aspx?mpgid=24>) is to be submitted.
 - Self-attested copy of valid Tax Residency Certificate ('TRC') issued by the tax authorities of the country of which shareholder is tax resident, evidencing and certifying shareholder's tax residency status.
 - Completed and duly signed self-declaration in Form 10F (Format enclosed as **Annexure E** on the website of the Company at <http://www.sarthakmetals.com/investors-tds-dividends.aspx?mpgid=24>).
 - Self-declaration (Format enclosed as **Annexure F** on the website of the Company at <http://www.sarthakmetals.com/investors-tds-dividends.aspx?mpgid=24>) certifying the following points:
 - Shareholder is and will continue to remain a tax resident of the country of its residence during FY 2024-25 (i.e. 01.04.2024 to 31.03.2025).

- Shareholder is the beneficial owner of the shares and is entitled to the dividend receivable from the Company.
 - Shareholder qualifies as 'person' as per DTAA and is eligible to claim benefits as per DTAA for the purposes of tax withholding on dividend declared by the Company.
 - Shareholder has no permanent establishment/business connection /place of effective management in India.

or Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
 - Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner.
- o In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of the registration certificate issued by the Securities and Exchange Board of India.
 - o Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the non-Resident shareholder and meeting the requirements of the Act, read with the applicable DTAA. In absence of the same, the Company will not be able to apply the beneficial DTAA rates at the time of deducting tax on dividend.
- Where a shareholder furnishes lower/nil withholding tax certificate under Section 197 of the Act, TDS will be deducted as per the rates prescribed in such certificate.

Section 206AB of the IT Act

Rate of TDS @ 10% u/s 194 of the IT Act is subject to provisions of Section 206AB of the Act (effective from July 01, 2021) which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax returns (referred to as "Specified Persons"). Under Section 206AB of the IT Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

"Specified person" as defined under Section 206AB (3) is someone who satisfies the following conditions:

- A person who has not filed income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the IT Act has expired; and
- The aggregate of TDS and TCS in whose case is ₹ 50,000 or more in each of these two previous years.

Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a "specified person".

In cases where Sections 206AA and 206AB are applicable i.e., the shareholder has not submitted PAN as well as not filed the return, tax will be deducted at higher of the rates prescribed in these sections.

The Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021 has clarified that new functionality will be issued for compliance check under Section 206AB of the Act. Accordingly, for determining TDS rate on Dividend, the Company will be using said functionality to determine the applicability of Section 206AB of the Act.

To summaries, dividend will be paid after deducting tax at source as under:

1. Nil - for resident individual shareholders receiving Dividend from the Company up to ₹ 5,000 during Financial Year.
2. Nil - for resident individual shareholders in cases where duly filled up and signed Form 15G/Form 15H (as applicable) along with self-attested copy of the PAN card is submitted.
3. 10% - for other resident shareholders in case copy of valid PAN is provided/available.
4. 20% - for resident shareholders if copy of PAN is not provided/not available or resident shareholder is specified person under Section 206AB as per compliance check utility of income tax department.
5. TDS rate will be determined on the basis of documents submitted by the non-resident shareholders.
6. 20% - (plus applicable surcharge and cess) for non-resident shareholders in case the relevant documents are not submitted.
7. Lower/nil TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

The above-mentioned rates will be subject to applicability of Section 206AB of the Act.

In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules (Refer **Annexure C** on the website of the Company).

In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Shareholders may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you or due to defect in any of the aforementioned details/documents, option is available to you to file the return of income as per Act and claim an appropriate refund of the excess tax deducted, if eligible. No claim shall lie against the Company for such taxes deducted.

Updation of pan, email address and other details:

All the shareholders are requested to update the residential status, registered email address, mobile number, category and other details with their relevant depositories through their depository participants, if the shareholding is in demat form or with the Company, if the shareholding is held in physical form, as may be applicable. The Company is obligated to deduct TDS based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited (collectively referred to as "the Depositories") in case of shares held in demat mode and from the Company record in case of shares held in physical mode and no request will be entertained for revision of TDS return.

Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

For all Shareholders:

To enable us to determine the appropriate TDS/withholding tax rate applicable, we request you to email the above details and documents at the email ID "cs@sarthakmetals.com", not later than 05:00 P.M. Thursday, July 24, 2025.

No communication on the tax determination/deduction shall be considered after July 24, 2025.

24. Instructions for remote e-Voting are as follows:

A. VOTING THROUGH ELECTRONIC MEANS:

Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, Regulation 44 of the SEBI Listing Regulations, and the Circulars issued by the

MCA dated April 08, 2020, April 13, 2020, May 5, September 25, 2023 and September 19, 2024, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-Voting") will be provided by **Bigshare Services Private Limited**.

The instructions of shareholders for remote e-Voting are as under:

- i. The voting period begins on July 22, 2025 09:00 A.M. and ends on July 24, 2025 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, July 18, 2025 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- iv. In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022- 48867000.

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

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **"LOGIN"** button under the **'INVESTOR LOGIN'** section to Login on E-Voting Platform.
- Please enter you **'USER ID'** (User id description is given below) and **'PASSWORD'** which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

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

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

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

- If you have forgotten the password: Click on **'LOGIN'** under **'INVESTOR LOGIN'** tab and then Click on **'Forgot your password?'**
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'Reset'**.

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

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

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

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

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

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

- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on 'Forgot your password?'
- Enter "**User ID**" and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**'.

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

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

- 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: 1800 22 54 22, 022-62638338

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

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

7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@sarthakmetals.com. The same will be replied by the Company suitably.

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,

Bhilai, Chhattisgarh – 490011

CIN: L51102CT1995PLC009772

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

website: www.sarthakmetals.com

Date: June 16, 2025

Place: Bhilai (C.G.)

By Order of the Board of Directors

SARTHAK METALS LIMITED

Sd/-

Pratik Jain

Company Secretary

Membership No. ACS 61747

Explanatory Statement

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under items Nos. 4 to 7 of the accompanying Notice. The item-wise explanatory statement for all special business mentioned (supra) is as follows:

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

Mr. Dwadasi Venkata Giri is currently the Independent Director of the Company, Chairperson of the Audit Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee.

Mr. Dwadasi Venkata Giri was appointed as the Independent Director of the Company by the Members at the 25th Annual General Meeting of the Company held on September 09, 2020 for 5 (five) consecutive years commencing from July 31, 2020 and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on May 22, 2025, proposed the re-appointment of Mr. Dwadasi Venkata Giri as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from July 30, 2025, not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Dwadasi Venkata Giri completed his Post Graduation (M. Com) from Pt. Ravishankar Shukla University, Raipur. He also completed LLB and CA IIB from Raipur. He has vast experience in the banking and finance domain and has retired from Bank of Baroda as Deputy Regional Manager. He has been on the Board of our Company since July 31, 2020 and is the Chairman of Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Audit Committee.

The Nomination and Remuneration Committee taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Dwadasi Venkata Giri qualifications and the rich experience in the abovementioned areas and meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Dwadasi Venkata Giri continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company, and his continued association would be of immense benefit to the Company.

The Company has received a declaration from Mr. Dwadasi Venkata Giri confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Dwadasi Venkata

Giri, has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Dwadasi Venkata Giri has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Dwadasi Venkata Giri has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Dwadasi Venkata Giri has also confirmed that he complies with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA') and has passed the online proficiency self-assessment test conducted by IICA.

In the opinion of the Board, Mr. Dwadasi Venkata Giri fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://sarthakmetals.com/investors-policies.aspx?mpgid=24> and would also be made available for inspection to the Members of the Company up to Thursday, July 24, 2025, by sending a request from their registered email address to the Company at cs@sarthakmetals.com along with their Name, DP ID & Client ID/Folio No.

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

The Board commends the Special Resolution set out in Item No. 4 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Giri and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

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

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

The Securities and Exchange Board of India ("SEBI"), vide its notification dated November 09, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 ("Amendments") introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The aforesaid amendments inter-alia included replacing of current threshold i.e., 10% (ten percent) of the listed entity's consolidated turnover, for determination of material Related Party Transactions requiring prior Shareholders' approval with the threshold of lower of ₹ 1,000 crore (Rupees One thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Accordingly, the threshold for determination of material Related Party Transactions under Regulation 23(1) of the SEBI Listing Regulations has been reduced with effect from April 01, 2022. The transactions with Bansal Brothers falls under the said Regulations and hence this disclosure.

SARTHAK METALS LIMITED (SML) buys certain specialty noble ferro alloys from Bansal Brothers. These noble ferro alloys are the niche of Bansal Brothers, for which they have

more than 70% market share in the Indian market. Thus, the prices at which Bansal Brothers can supply to SML is highly competitive due to the scale advantage. Further, the lead time for procurement from Bansal Brothers is very less and reduces the working capital requirement of SML for such alloys. Furthermore, Bansal Brothers offers great credit terms to SML due to related party trust. That being said, SML always researches the price of said ferro alloys in international markets before placing an order with Bansal Brothers. It can be said that Sarthak Metals has almost a 70% market share in Products manufactured using products of Bansal Brothers due to this symbiotic relationship.

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

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

Particular of Transactions	March 31, 2023	March 31, 2024	March 31, 2025	Total
Purchase of Goods and Services	25,98,67,096	13,20,21,556	14,11,62,752	53,30,51,404
Sales of Goods and Services	15,78,81,343	3,70,32,927	3,29,47,674	22,78,61,944
Total	41,77,48,439	16,90,54,484	17,41,10,426	76,09,13,349

S. No.	Description	Particulars
1.	Name of the related party	M/s Bansal Brothers
2.	Nature of relationship [including nature of its interest (financial or otherwise)]	Mr. Anoop Kumar Bansal, Managing Director (proposed for re-appointment), and Mr. Anirudh Singhal, CFO, are partners in M/s Bansal Brothers. As per accounting terms, it is an Enterprise over which significant influence exists.
3.	Type of the proposed transaction	i. Purchase Raw Material, Repair & Maintenance Machine, Consumable Goods, Purchase of Wire Feeder Machine. ii. Sales Ferro Alloys, Sales Consumable Goods, Raw. Mat. iii. Any transfer of resources, services or obligations to meet its objectives/requirements.
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in.
5.	Particulars of the proposed transaction	Same as point no. 3
6.	Tenure of the transaction	Contracts/arrangements with a duration of up to 5 years
7.	Value of the proposed transactions	₹ 75 Crores per year
8.	Percentage of Sarthak's annual turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction	9.76%

S. No.	Description	Particulars
9.	Benefits/Justifications of the proposed transaction	SML buys certain specialty noble ferro alloys from Bansal Brothers. These noble ferro alloys are niche of Bansal Brothers for which they have more than 70% market share in Indian market. Thus, the prices at which Bansal Brothers can supply to SML is highly competitive due to scale advantage. Further, the lead time for procurement from Bansal Brothers is very less and reduces the working capital requirement of SML for such alloys. Furthermore, Bansal Brothers offer great credit terms to SML due to related party trust. That being said SML always researches the price of said ferro alloys in international markets before placing an order with Bansal Brothers. It can be said that Sarbhak Metals has almost a 70% market share in Products manufactured using products of Bansal Brothers due to this symbiotic relationship.
10.	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally.
11.	Name of the Director or Key Managerial Personnel, who is related	Mr. Anoop Kumar Bansal, Mr. Anirudh Singhal, Mr. Sunil Kumar Agrawal
12.	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	NA
A.	Source of funds	NA
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness	NA
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	NA
D.	Purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to RPT	
13	Any other relevant information	NA

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

The Board recommends the Ordinary Resolution set out at Item No. 05 of the Notice for approval and ratification by the members of the Company.

3. Ratification of remuneration of Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Gajadhar Prasad & Co., (Firm Registration No. 003682) Cost Accountants for the conduct of the audit of cost records made and maintained

by the Company, at the remuneration of ₹ 40,000/- (Rupee Forty Thousand only) per annum plus all applicable taxes & re-imbursement of out-of-pocket expenses for the financial year ending March 31, 2026. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution at Item No. 6 of this notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval and ratification by the members of the Company.

4. Appointment of Secretarial Auditor:

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), the Audit Committee and the Board of Directors at their respective meetings held on May 22, 2025, have approved and recommended the appointment of M/s. Nilesh A. Pradhan & Co. LLP, Company Secretaries (Firm Registration No. L2018MH005200), a Practicing Company Secretary as the Secretarial Auditor of the Company on the following terms and conditions:

- a. Term of appointment: For a term of 5 (Five) consecutive years from April 01, 2025 to March 31, 2030.
- b. Proposed Fees: Fees of ₹ 1,00,000 (Rupees One Lakh only), plus applicable taxes and reimbursement of out-of-pocket expenses on actuals, in connection with the

secretarial audit for FY 2025-26 and for subsequent years of the term, such fee as determined by the Board, on recommendation of Audit Committee.

- c. Basis of recommendations: The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI Listing Regulations. While recommending, the Board of Directors also considered the experience of the individual, capability, independent assessment, audit experience, and evaluation of the quality of audit work done by them in the past.

The Board of Directors of the Company recommends the resolution set out at Item No. 7 for approval of the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Registered Office:

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

CIN: L51102CT1995PLC009772

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

website: www.sarthakmetals.com

Date: June 16, 2025

Place: Bhilai (C.G.)

By Order of the Board of Directors
SARTHAK METALS LIMITED

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

Annexure to Notice

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

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

Name of Director	Mr. Sunil Kumar Agrawal
Director Identification Number (DIN)	08680582
Date of Birth	29/10/1955
Age	69 years
Qualification	Bachelor of Engineering (Mech.)
Experience	He joined the Indian Railway Traffic Service (allied service of IAS) in 1980 and served as a Divisional Railway Manager, Nagpur and as Chief Commercial Manager, of SEC Rly, as Chief Operating Manager of South-Central Railway, Hyderabad, and as an Additional Member, of Ministry of Railways, (equivalent to Additional Secretary to Govt. of India).
Terms and Condition of Appointment	Non-Executive; Non-Independent Director liable to retire by rotation
Remuneration last drawn during the Financial Year 2024-25	Not Applicable Except Sitting Fees of ₹ 60,000
Nature of Expertise in specific functional areas	Technical and Strategic Planning and Product Development and Weighment
Date of first appointment	01/02/2020
Number of shares held in the Company	50,000
Inter-se relationship with other Directors and Key Managerial Personnel	None
No. of Board Meetings Attended during the year	3/5
Listed entities from which the Director has resigned from directorship in the past three (3) years	Nil
Directorships held in other companies	Nil
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Nil
Proposed Remuneration	Sitting Fees as approved by the Board of Directors

Annexure to Notice

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

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

Name of Director	Mr. Dwadasi Venkata Giri
Director Identification Number (DIN)	02565046
Date of Birth	23/06/1961
Age	64 years
Qualification	M.com, LLB, CA IIB
Experience	Mr. Dwadasi Venkata Giri completed his Post Graduation (M. Com) from Pt. Ravishankar Shukla University, Raipur. He also completed LLB and CA IIB from Raipur. He has vast experience in the banking and finance domain and has retired from Bank of Baroda as Deputy Regional Manager. He has been on the Board of our Company since July 31, 2020 and is the Chairman of Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Audit Committee.
Terms and Conditions of Appointment	Non Executive Independent Director, not liable to retire by rotation.
Remuneration last drawn during the Financial Year 2024-25	Not Applicable Except Sitting Fees of ₹ 2,00,000.
Nature of Expertise in Specific Functional Areas	Technical and Strategic Planning, Operations and Accounting, Finance and Banking
Date of first appointment	31/07/2020
Number of shares held in the Company	Nil
Inter-se relationship with other Directors and Key Managerial Personnel	None
No. of Board Meetings Attended during the year	5/5
Listed entities from which the Director has resigned from directorship in the past three (3) years	Nil
Directorships held in other companies	Nil
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Chairman of Audit Committee and Stakeholders Relationship Committee of the Company.
Proposed Remuneration	Sitting Fees as approved by the Board of Directors

Directors' Report

Dear members,

Your Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "Sarthak") along with the audited financial statements, for the financial year ended March 31, 2025.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

(₹ in Lakhs)

Particulars	For the year ended March 31,	
	2025	2024
Revenue from operations	17,842.01	30,517.35
Other income, net	270.43	192.52
Total income	18,112.43	30,709.87
Expenses	17,484.33	28,813.29
Exceptional Items	-	-
Profit Before Tax	628.11	1,896.58
Less: Tax (Including deferred tax and current tax relating to earlier years)	216.13	513.75
Total Other Comprehensive Income (Net of Tax)	0.52	0.45
Profit After Tax	412.50	1,383.28
Earnings Per Share of ₹ 10 each		
Basic:	3.01	10.10
Diluted:	3.01	10.10

The Company has undergone a phase of consolidation over the past 2 financial years, primarily due to significant challenges faced by our key end-user sector — the steel industry. Our core businesses, namely Cored Wires and Aluminium Flipping Coils, experienced headwinds from a prolonged slowdown in the Indian steel sector, subdued demand, and heightened competition resulting from an influx of low-cost imports. Notably, steel imports from China surged to a 7-year high, intensifying competitive pressures on domestic manufacturers and allied industries. Additionally, volatile raw material prices, global supply chain disruptions, and persistent margin pressures further complicated the operating environment. These factors impacting the steel industry also had a cascading effect on ancillary suppliers such as our Company. Moreover, competitive intensity increased in some of our product segments, prompting the Company to make a strategic decision to refrain from participating in these areas to safeguard profitability rather than pursue growth at any cost.

As a result, our Revenue from Operations for the year stood at ₹ 178.42 Crore, compared to ₹ 305.17 Crore in FY24, representing a year-on-year decline of 42%. EBITDA margins were 3.9% in FY25, down from 7.1% in FY24. Consequently, Net Profit for FY25 was ₹ 4.12 Crore, as against ₹ 13.83 Crore in FY24.

Looking ahead, to diversify our business beyond supplying consumables to the steel sector and to return to a growth trajectory, we have decided to increase our strategic focus on the welding consumables segment, with Flux Cored Wires as our initial product category. Flux Cored Wires are widely used in welding applications for commercial fabrication units, heavy industries and infrastructure projects. This product category aligns well with our technical expertise, and we are confident in our technological capabilities and product strengths to establish a strong presence in this industry in coming years. In the past financial year, we expanded our flux cored wire production capacity from 1,200 TPA to 3,600 TPA, responding to increasing product acceptance and rising market demand.

Our continued emphasis on value-added products, exploration of export opportunities, and expansion into adjacent product categories will position us for sustainable growth and enable us to capitalize on emerging opportunities.

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

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

3. DIVIDEND:

Considering the constant growth in earnings and profits of the Company your directors have in the Financial Year declared an Final Dividend for the year under review.

The Company declared dividend as under:

	Fiscal 2025			Fiscal 2024		
	Dividend per share (In ₹)	Dividend payout (In ₹ Lakhs)	% age of Dividend	Dividend per share (In ₹)	Dividend payout (In ₹ Lakhs)	% age of Dividend
Interim dividend	-	-	-	1.00	136.90	10
Final dividend*	0.50	68.45	5%	-	-	-
Total dividend	0.50	68.45	5%	1.00	136.90	10

*Final Dividend is subject to Shareholders at their upcoming Annual General Meeting.

Note:

- The Company declares and pays dividend in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

4. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of business carried on by the Company.

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

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

6. CAPITAL STRUCTURE:

The Paid-up Equity share capital of the Company as on April 01, 2024 was ₹ 13,68,97,500/- divided into 1,36,89,750 Equity Shares of ₹ 10/- each. No change was made during the year. The equity share capital thus, as on March 31, 2025 was ₹ 13,68,97,500/-.

During the F.Y. 2024-25 your Company has neither issued shares with differential voting rights as to dividends, voting or otherwise nor issued shares (including sweat equity shares) to the employees or directors of the Company under any scheme such as bonus, right issue, private placement, preferential allotment or by any other mode as per Companies Act, 2013.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

7.1. Re-appointments:

7.1.1. Director liable to retire by rotation:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sunil Kumar Agrawal (DIN: 08680582), Director of your Company retires by rotation in the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

7.1.2. Re-appointment of independent Director:

Mr. Dwadasi Venkata Giri was appointed as the Independent Director of the Company by the Members at the 25th Annual General Meeting of the Company held on September 09, 2020 for 5 (five) consecutive years commencing from July 31, 2020 and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on May 22, 2025, proposed the re-appointment of Mr. Dwadasi Venkata Giri as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from July 30, 2025, not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Dwadasi Venkata Giri completed his Post Graduation (M. Com) from Pt. Ravishankar Shukla University, Raipur. He also completed LLB and CA IIB from Raipur. He has vast experience in the banking and finance domain and has retired from Bank of Baroda as Deputy Regional Manager. He has been on the Board of our Company since July 31, 2020 and is the Chairman of Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Audit Committee.

The Nomination and Remuneration Committee taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Dwadasi Venkata Giri qualifications and the rich experience in the abovementioned areas and meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Dwadasi Venkata Giri continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company, and his continued association would be of immense benefit to the Company.

Further, Mr. Dwadasi Venkata Giri has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Dwadasi Venkata Giri has also confirmed that he complies with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA') and has passed the online proficiency self-assessment test conducted by IICA.

8. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence

laid down in Section 149(6), Code for independent directors of the Companies Act, 2013 and of the Listing Regulations.

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

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

9. STATEMENT ON COMPLIANCE OF CODE OF CONDUCT:

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

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

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and senior executives in respect of Financial Year 2024-25."

Mr. Mayur Bhatt
Whole-Time Director and CEO

10. BOARD AND THE COMMITTEE MEETINGS:

The Board of Directors met 5 (Five) times during the financial year 2024-25. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

As on March 31, 2025, the Board had four committees: the audit committee, the corporate social responsibility committee, the nomination and remuneration committee and the stakeholder's relationship committee. All committee comprise only independent directors, one of whom is chosen as the chairperson of the committee.

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

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

11. NOMINATION & REMUNERATION POLICY OF THE COMPANY:

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

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

12. BOARD EVALUATION:

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

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

The performance of the board was evaluated by the Directors after seeking inputs from all the directors on the basis of criteria such as the board composition and

structure, effectiveness of board processes, information and functioning, etc.

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

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 05, 2017. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

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

13. FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS:

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

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

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

14. DIRECTORS' RESPONSIBILITY STATEMENT:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to

give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The directors, in the case of a listed Company, 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. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

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

16. FRAUDS REPORTED BY THE AUDITOR:

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

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

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

18. DEPOSITS:

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

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

There are no Loans, Investments or Guarantees/Security given by the Company during the year under Section 186 of the Companies Act, 2013; hence no particulars are required to be given.

20. ANALYSIS OF REMUNERATION:

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

Names and Designation	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase/decrease in Remuneration
Ms. Rama Kohli (Independent Director)	Nil	Not Applicable
Mr. D. V. Giri (Independent Director)	Nil	Not Applicable
Mr. Sunil Dutt Bhatt (Independent Director)	Nil	Not Applicable
Mr. Anoop Kumar Bansal (Managing Director)	31 times	Decrease by 2.26%
Mr. Mayur Bhatt (Whole Time Director & CEO)	6 times	Decrease by 3.70%
Mr. Sunil Kumar Agarwal (Director)	Nil	Not Applicable
Mr. Sanjay Shah (Whole Time Director)	31 times	Decrease by 2.26%
Mr. Anirudh Singhal (Chief Financial Officer)	8 times	Decrease by 3.70%
Mr. Pratik Jain (Company Secretary)	3 times	Increase by 6.67%

The median remuneration of employees of the Company during the financial year was ₹ 2,14,672 p.a. Please note that only those persons who were employees as on March 31, 2025 have been considered for the calculation of the median salary.

[C]	Percentage increase in the median Remuneration of Employees	Increase of 14%
[D]	Number of permanent Employees on the rolls of Company.	147 as on March 31, 2025.
[E]	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	Median Salary of non-managerial staff has increased by 10%. The average salary of managerial staff has decreased by 1.04%
[F]	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms that the remuneration is as per the remuneration policy of the Company.

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

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Act. Also, there were no material related party contracts entered into by the Company as per the Companies Act, 2013 and rules made thereunder. The disclosure as required under Section 134(3)(h) of the Act in Form AOC-2 is attached as **Annexure C**. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone financial statements forming part of this Report.

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

22. CORPORATE GOVERNANCE REPORT:

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

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

23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Regulation 34 read with Schedule - V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Management Discussion & Analysis Report is cover between page __ to __ of this report.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

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

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

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

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

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

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

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

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

expenses with captive consumption. Additionally, the Company's technology is developed in-house and is subject to continuous upgrades to maintain operational excellence.

B. Foreign exchange earnings and Outgo:

Particulars	(in ₹)	
	As on 31.03.2024	As on 31.03.2025
Foreign Exchange Earnings (Export)	44,31,03,844.92	31,35,44,756.84
Foreign Exchange Outgo (Import)	65,46,51,117.00	62,53,22,260.00

26. RISK MANAGEMENT:

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

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

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

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

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

28. MATERIAL ORDERS OF JUDICIAL BODIES / REGULATORS:

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

29. AUDITORS:

29.1. Statutory Auditors':

At the twenty-seventh AGM held on September 05, 2022, the Members approved the re-appointment of Begani and Begani, Chartered Accountants (Firm Registration 010779C) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty-second AGM to be held in the year 2027.

29.2. Secretarial Auditors':

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), the Audit Committee and the Board of Directors at their respective meetings held on May 22, 2025, have approved and recommended the appointment of M/s. Nilesh A. Pradhan & Co. LLP, Company Secretaries (Firm Registration No. L2018MH005200), a Practicing Company Secretary for the first term of Five Years commencing from April 01, 2025. The Appointment of Secretarial Auditors is subject to approval of the members at ensuing Annual General Meeting.

29.3. Cost Auditors':

Pursuant to the provisions of Section 148 of Companies Act, 2013 and the rules made thereunder, the Company has appointed Mr. Gajadhar Prasad, Cost Accountants (Membership No. 39559) to undertake the Cost Audit of the Company for the Financial Year ended March 31, 2025.

The Board on the recommendation of Audit Committee of the Company, have appointed M/s. Gajadhar Prasad and Co., Cost Accountants (Membership No. 39559) as Cost Auditors to conduct Cost Audit for the Financial Year ended March 31, 2026, the remuneration to be paid to Cost Auditors is proposed to be approved by the members at the upcoming Annual General Meeting of the Company.

30. SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed to this report as **Annexure E** and forms an integral part of this report.

Observation of Secretarial Auditors'	Reply of the Management
Regulation 30 read with sub-para 15(a) of Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') states that the listed entities are required to disclose the schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet/call.	The reason for the delay was due to the delay in receipt of the link, etc., from the service provider (who conducts our Conference Call) due to some technical issues faced by them. The Company will ensure that such delay does not take place in the future and has also communicated the same to the service provider.
Delayed submission of call scheduled on February 08, 2024. Only one day advance intimation submitted to the Stock Exchanges.	

31. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS:

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

32. DISCLOSURE REQUIREMENTS:

- 32.1. As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis form part of the Director's Report.
- 32.2. The Company properly complies with the provision of all applicable Secretarial Standards on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by the Institute of Company Secretaries of India.

33. DIVIDENDS LYING IN THE UNPAID DIVIDEND ACCOUNT:

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

S. No.	Type of Dividend and Year	Amount (In ₹)	Year in which it will get transferred to IEPF
1.	Final Dividend 2018-19	26,000	2026
2.	Final Dividend 2019-20	25,050	2027
3.	Final Dividend 2020-21	62,200	2028
4.	Interim Dividend 2021-22	3,683	2029
5.	Final Dividend 2021-22	5,795	2029
6.	Interim Dividend 2022-23	10,796	2030
7.	Final Dividend 2022-23	98,195	2030
8.	Interim Dividend 2023-24	94,430	2031

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

Dividend declared by the Company during the financial year 2016-17, which remained unpaid/ unclaimed for a period of seven years have been transferred to the account maintained by the IEPF Authority. The Company is making all the efforts to deliver individual notices through emails to the shareholders whose unpaid dividend has not been claimed.

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

34. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual return as on March 31, 2025 is available on the Company's website on <https://sarthakmetals.com/docs/Annual%20Return%202024-25.pdf>

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

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

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

The Company has not made any application nor any proceeding under the Insolvency and Bankruptcy Code,

2016 is pending, hence this disclosure is not applicable to the Company.

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

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

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

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

39. ACKNOWLEDGEMENTS:

The Directors thank the Company's shareholders for their trust reposed on the Board of Directors, the Directors also thank employees, customers, vendors and all the stakeholders for their continuous support. The Directors also thank the Government of India, Governments of various states in India and concerned Government departments and agencies for their co-operation.

Date: June 16, 2025
Place: Bhilai (C.G.)

Sd/-
Anoop Kumar Bansal
Managing Director
DIN: 01661844

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

Annexure A

Corporate Governance Report

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

The Company remains committed to upholding the highest standards of corporate governance, ensuring transparency, accountability, and integrity across all operations. Our governance framework is designed to promote long-term value creation, protect shareholder interests, and support effective decision-making by the Board and management.

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

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

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

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

NSE at <https://www.nseindia.com/get-quotes/equity?symbol=SMLT>

2. BOARD OF DIRECTORS:

2.1. Composition:

- i. The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the Listing Regulations. As on March 31, 2025, the Board of your Company consisted of 7 (Seven) Directors, including three Whole-Time Executive Directors (including Managing Director and Chief Executive Officer), 1 (one) non-executive non-independent professional director as a chairman, and 3 independent directors (including a women director).
- ii. None of the Directors on the Board:
 - holds directorship in more than ten public companies;
 - serves as Director or as an independent director in more than seven listed entities; and
 - Who are the Executive Directors and serve as independent directors in more than three listed entities.

None of the Directors is holding any Committee position in other public companies as of March 31, 2025, and the Directors are also not related to each other.

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

- iv. The names and categories of the directors on the Board and other relevant information as on March 31, 2025 are as under:

Name of Directors and DIN	Category	No. of other directorships held*	Member/Chairman of the Board Committees	No. of shares held in the Company
Mr. Sunil Kumar Agarwal (Chairman) DIN: 08680582	Non-Independent, Non-Executive Professional Director	-	-	50,000
Mr. Anoop Kumar Bansal (Managing Director) DIN: 01661844	Promoter – Executive Director	-	-	11,45,250
Mr. Sanjay Chamanlal Shah (Whole-Time Director) DIN: 00350967	Promoter – Executive Director	-	-	8,64,403
Mr. Mayur Bhatt (Whole-Time Director and Chief Executive Officer) DIN: 07586457	Non-Promoter Executive Director	1*	-	4,54,050
Mr. Dwadasi Venkata Giri DIN: 02565046 [#]	Independent, Non- Executive Director	-	3	-
Ms. Rama Kohli DIN: 01835824	Independent, Non- Executive Director	-	3	-
Mr. Sunil Dutt Bhatt DIN: 09263587	Independent, Non- Executive Director	-	3	-

*Including private limited companies but excluding the Company.

[#]The re-appointment of Mr. Dwadasi Venkata Giri is subject to the approval of the members in their Annual General Meeting to be held on July 25, 2025.

The Directors are not related to each other.

2.2. Board Meetings:

The Board of Directors is provided with the requisite information mentioned in the Listing Regulations well before the Board meetings. Five meetings of the Board of Directors were held during the year ended March 31, 2025, and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

- i. 22-05-2024
- ii. 12-07-2024
- iii. 13-08-2024
- iv. 13-11-2024
- v. 04-02-2025

The necessary quorum was present for all the meetings.

The attendance record of the Directors at the Board Meetings during the year ended on March 31, 2025 and at the last Annual General Meeting is as under:

Names of Directors	No. of Board Meetings attended	Last AGM Attended
Mr. Sunil Kumar Agarwal	3	Yes
Mr. Anoop Kumar Bansal	5	Yes
Mr. Sanjay Chamanlal Shah	3	No
Mr. Mayur Bhatt	5	Yes
Mr. Dwadasi Venkata Giri	5	Yes
Ms. Rama Kohli	4	Yes
Mr. Sunil Dutt Bhatt	5	Yes

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

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

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

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

S. No.	Name of Director	Qualification and Experience
1.	Mr. Sunil Kumar Agrawal	B.E. (Hons) (Mechanical) He served as Divisional Railway Manager, Nagpur, and as Chief Commercial Manager, SEC Rly, Chief Operating Manager South Central Railway, Hyderabad and as an Additional Member, Ministry of Railways, (equivalent to Additional Secretary to Govt. of India).
2.	Mr. Anoop Kumar Bansal	Bachelor of Commerce and has more than 28 years of experience in the business and industry.
3.	Mr. Sanjay Chamanlal Shah	First Year of Bachelor of Commerce and having more than 39 years of experience in the business and industry and he is heading the Sales & Marketing division of our Company.
4.	Mr. Mayur Bhatt	Bachelor in Arts and Diploma in Electrical Engineering and having more than 20 years of experience in the industry.
5.	Mr. Dwadasi Venkata Giri [#]	Masters of Commerce, LL.B and CA IIB and has vast experience in banking and finance domain.
6.	Ms. Rama Kohli	Bachelor in Science and PGDBM and having experience in business advisory activities.
7.	Mr. Sunil Dutt Bhatt	Bachelors in Engineering and Masters of Science in Statistical and Metallurgical Engineering and having more than 35 years of experience in department of Instrument and weightment in Bhilai Steel Plant.

[#]The Independent Director's re-appointment is to be approved at the ensuing Annual General Meeting.

2.4. Independent Directors:

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

The Company's Independent Directors met on the February 04, 2025, without the presence of the management and other non-executive directors. Independent Directors discussed matters about the Company's affairs and reviewed the performance of Non- Non-Independent Directors, Board as a whole, and Chairman of the Company, and shared their views/suggestions with the Chairman and Managing Director and with the Board of Directors.

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

2.5. Code of Conduct:

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

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

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and senior executives in respect of Financial Year 2024-25."

Mr. Mayur Bhatt
Whole-Time Director and CEO

Committees of the Board

There are four Board Committees as on March 31, 2025, details of which are as follows.

3 AUDIT COMMITTEE:

3.1. Brief description of terms of reference:

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

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

- l. Approval or any subsequent modification of transactions of the Company with related parties including Material Related Party Transactions.

3.2. Composition, name of members and chairperson:

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

3.3. Meetings and attendance during the year:

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

- i. 22-05-2024
- ii. 12-07-2024
- iii. 13-08-2024
- iv. 13-11-2024
- v. 04-02-2025
- vi. 21-03-2025

Requisite quorum was present during the meetings.

Names of Directors	No. of Audit Committee Meetings attended
Mr. Dwadasi Venkata Giri	6
Ms. Rama Kohli	5
Mr. Sunil Dutt Bhatt	5

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

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

The previous AGM of the Company was held on August 20, 2024 and was attended by Mr. D.V. Giri, Chairman of the Audit Committee.

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

4.1. Brief description of terms of reference:

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

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

4.2. Composition, name of members and chairperson:

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

4.3. Meetings and attendance during the year:

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

- May 22, 2024

Requisite quorum was present during all the meetings.

Names of Directors	No. of Nomination and Remuneration Committee Meetings attended
Mr. Dwadasi Venkata Giri	1
Mr. Sunil Dutt Bhatt	1
Ms. Rama Kohli	1

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.
- The previous AGM of the Company held on August 20, 2024 and was attended by Mr. D.V. Giri, Chairman of the NRC.

4.4. Performance evaluation criteria for independent directors:

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

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

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

5.1. Brief description of terms of reference:

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

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

5.2. Composition, name of members and chairperson:

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

5.3. Meeting and attendance during the year:

One meeting of the Stakeholders Relationship Committee was held during the year under review on May 22, 2024 requisite quorum was present during the meeting.

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

The Company received 6 complaints during the year, and all the complaints were resolved by the Company. The complainants were fully satisfied with the complaints and at the end of the Financial Year ended there was no pending complaints.

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Stakeholders Relationship Committee and is the Compliance Officer for the requirements of SEBI Listing Regulations.
- The previous AGM of the Company held on August 20, 2024 and was attended by Mr. D.V. Giri, Chairman of the SRC.
- The Committee is spearheaded by Mr. Dwadasi Venkata Giri, Non-Executive Independent Director.

6. SENIOR MANAGEMENT:

The following persons constitute the senior management of the Company:

- Mr. Manoj Kumar Bansal – President

- ii. Mr. Gaurav Agarwal – General Manager (Import and Export)
- iii. Mr. RSN Murty – General Manager (Marketing)
- iv. Mr. Sarthak Bansal – Deputy General Manager (Purchase)
- v. Mr. Samarth Bansal – Deputy General Manager (Plant)
- vi. Mr. Sagar Shah – Vice President (Purchase and Sales)
- vii. Mr. Narendra Dewangan – Head Accountant
- viii. Mrs. Jaya Bhatt – Executive (Purchase and Sales)
- ix. Mrs. Shallini Shah – Executive (Marketing)

There is no change in the senior management during the year.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

7.1. Brief description of terms of reference:

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

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

7.2. Composition, name of members and chairperson:

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

7.3. Meetings and attendance during the year:

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

- i. 22-05-2024
- ii. 13-08-2024
- iii. 13-11-2024
- iv. 04-02-2025

Requisite quorum was present during the meetings.

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

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.
- The previous AGM of the Company held on August 20, 2024 and was attended by Mr. D.V. Giri, Chairman of the CSR Committee.

8. REMUNERATION OF DIRECTORS:

8.1. Remuneration policy:

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

The remuneration of the Executive Directors, KMPs and Senior Management Personnel is based on the Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary (including fixed pay and variable pay) and perquisites based on the recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The non-executive directors are paid remuneration by way of a sitting fee for attending the meetings of the Board and Committees thereof. No stock options were granted to the Directors of the Company during the year under review. The appointment of the Executive Directors is governed by the resolutions passed by the Board and the shareholders of the Company, read with the service rules and regulations of the Company.

The policy on the payments to non-executive directors is available on the website of the Company at below mentioned address: <http://www.sarthakmetals.com/docs/Policy%20on%20remuneration%20to%20Non%20Executive%20Directors.pdf>

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

8.2. Details of remuneration paid to Directors during the financial year ended March 31, 2025:

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

a) Executive Directors:

(₹ In Lakhs)

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

*Also holds the office of ceo

Contract Period*:

1. Mr. Anoop Kumar Bansal – Five years from August 22, 2024.
2. Mr. Sanjay Chamanlal Shah – Five years from August 26, 2024.
3. Mr. Mayur Bhatt – Five years from August 22, 2024.

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

b) Non-Executive Directors:

Particulars of commission/sitting fee paid to the Non- Executive Directors during financial year ended March 31, 2025 are as follows:

(₹ in Thousands)

Name of the Director	Sitting fees	Commission	Total
Mr. Sunil Kumar Agrawal	60.00	Nil	60.00
Ms. Rama Kohli	100.00	Nil	100.00
Mr. Dwadasi Venkata Giri	120.00	Nil	120.00
Mr. Sunil Dutt Bhatt	120.00	Nil	120.00

No commission has been paid to the Non-Executive Directors. There is no pecuniary relationship or transactions between the Company and Non-Executive Directors during the financial year 2024-25.

9. GENERAL BODY MEETINGS:**9.1.**

The Annual General Meetings for the Financial Year 2021-22 was held at the registered office of the Company at B.B.C. Colony, G.E. Road, Khursipar, Bhilai, Chhattisgarh-490011.

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

Year	Date	Day	Time	Special Resolutions passed
2022	September 05, 2022	Monday	11:00 a.m.	#Refer to notes below
2023	August 21, 2023	Monday	12:00 noon	*Refer to notes below
2024	August 20, 2024	Tuesday	12:00 noon	@Refer to notes below

#The following Special resolutions were passed during the Financial Year ended 2022:

- To approve and fix the remuneration of the Mr. Anoop Kumar Bansal (DIN: 01661844), Managing Director of the Company.
- To approve and fix the remuneration of the Mr. Sanjay Chamanlal Shah (DIN: 00350967), Whole-Time Director of the Company.
- To approve and fix the remuneration of the Mr. Mayur Bhatt (DIN: 07586457), Whole-Time Director and CEO of the Company.

*The following Special resolutions were passed during the Financial Year ended 2023:

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

@The following Special resolutions were passed during the Financial Year ended 2024:

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

9.2.

No Special Resolution was passed during the financial year 2023-24 through postal ballot.

10. MEANS OF COMMUNICATION:

i.	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are submitted with the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR.
ii.	Newspaper wherein results normally published	Financial Express and Shram Bindu (Vernacular) newspaper for the year 2024-25.
iii.	Any website, where displayed	www.sarthakmetals.com
iv.	Whether it also displays official news releases	The Company gives Press Releases to the stock exchanges and displays the same on its website.
v.	The presentations made to institutional investors or to the analysts	The Company holds Analysts'/Investors Meetings from time to time. The presentations made at the said meetings are uploaded on Company's website. The necessary intimation in terms of Regulation 30 of SEBI LODR is also made to the stock exchanges.
vi.	NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web-based application designed by NSE for corporations. All periodical compliance filings, like shareholding pattern, corporate governance report, media releases, among others, are filed electronically on NEAPS.
vii.	BSE Corporate Compliance & Listing Centre (the "Listing Centre")	BSE's Listing Centre is a web-based application designed for corporations. All periodical compliance filings, like shareholding pattern, corporate governance report, media releases, among others, are filed electronically on the Listing Centre.
viii.	SEBI Complaint Redressal System (SCORES)	The investor complaints are processed in a centralized web-based complaint redressal system. The salient features of this system are: Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

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

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

11. GENERAL SHAREHOLDER INFORMATION:**11.1. Details of general meeting:****Annual General Meeting:**

Date	:	Friday, July 25, 2025
Time	:	12:00 noon
Venue	:	Hotel Ashish International, G.E. Road, Bhilai Power House - 490011
Financial Year	:	2024-25
Dividend Payment Date	:	On or after July 30, 2025
Date of Book Closure/Record Date	:	As mentioned in the Notice of this AGM

11.2. Listing on stock exchanges:

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

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

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

The Company has paid Annual Listing Fees to BSE Limited and to the National Stock Exchange of India Limited, Mumbai, for the equity shares for the Financial Year 2025-26.

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

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

11.4. Share transfer system:

As per SEBI Listing Regulations and directions issued by SEBI, effective from April 01, 2019, the securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was

lodged prior to April 01, 2019 and returned due to deficiency in the document. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

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

11.5. Reconciliation of share capital audit:

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

11.6. Distribution of shareholding:

Shareholding pattern as on March 31, 2025:

S. No.	Category	No. of Shares
1.	Promoter and Promoter Group	94,24,892
2.	Banks/MF's/FI's/Ins. Cos./NBFCs/AIF's	-
3.	Foreign Portfolio Investors	20,559
4.	Overseas Corporate Bodies	-
5.	Bodies Corporate	2,43,436
6.	Individual NRI's	1,30,365
7.	Resident Individuals	30,09,449
8.	IEPF Authority	-
9.	Others	8,61,049
Total*		1,36,89,750

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

Shareholding of Nominal Value	Shareholder		No. of shares	
(In ₹)	Number	% of Total	Number	% of Total
Up to 5,000	11,263	89.79	1,03,44,870	7.56
5,001 - 10,000	679	5.41	51,42,190	3.76
10,001 - 20,000	327	2.61	47,78,010	3.49
20,001 - 30,000	93	0.74	23,03,360	1.68
30,001 - 40,000	71	0.57	26,04,510	1.90
40,001 - 50,000	23	0.18	10,71,740	0.78
50,001 - 1,00,000	43	0.34	30,40,650	2.22
1,00,001 and above	45	0.36	10,76,12,170	78.61
Total	12,544	100	1,36,89,750	100

11.7. Dematerialization of shares and liquidity:

The Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on March 31, 2025, the Company has 100% shareholding including that of promoters in dematerialized form.

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

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

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

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

11.9. Our manufacturing unit's location:

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

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

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

For the Financial Year 2024-25:

Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation 30 read with sub-para 15(a) of Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') states that the listed entities are required to disclose the schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet/call.
Regulation/Circular No.	Regulation 30 of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015
Deviations	Delayed submission of call scheduled on February 08, 2025. Only one day advance intimation submitted to the Stock Exchanges.
Action Taken by	National Stock Exchange of India Limited & BSE Limited
Type of Action	Stock Exchanges issued the cautionary letter.
Details of Violation	Intimation of Earning call was not submitted within the prescribed timelines of two working days in advance as per sub-para 15(a) of Para A of Part A of Schedule III of SEBI LODR. The intimation of earning call scheduled on February 08, 2025 was submitted to the Stock Exchanges on February 06, 2025.
Fine Amount	Not Applicable

11.10. Address for correspondence:

SARTHAK METALS LIMITED

Registered Office Address:

BBC Colony, G.E Road,

Khursipar, Near Bhilai ITI,

Bhilai, Chhattisgarh - 490011, India

Tel: +91-9303773708

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

11.11. Credit ratings:

The Company is debt free Company and hence the requirement to obtain credit rating does not arise.

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

During the period under review, the Company had not entered into any material significant related party transactions that may have potential conflict with the interest of the Company.

None of the transactions with any of the related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 28 of standalone financial statements forming part of the Annual Report and also the explanatory statement No. 2 of Notice of the Annual General Meeting.

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

For the Financial Year 2024-25:

Observations/Remarks of the Practicing Company Secretary	The intimation of earning call scheduled on February 08, 2024 was given on February 06, 2024 i.e. only one working day in advance intimation was given to the Stock Exchanges.
Management Response	The reason for the delay was due to the delay in receipt of the link, etc., from the service provider (who conducts our Conference Call) due to some technical issues faced by them. The Company will ensure that such delay does not take place in the future and has also communicated the same to the service provider.
Remarks	The Company has taken necessary corrective action and informed that it will ensure all the compliances will be completed as per applicable timeline in future.

For Financial Year 2023-24:

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

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

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

The said Policy has also been uploaded on Company's website at the following links: <http://www.sarthakmetals.com/docs/SML-Whistle-Blower-Policy.pdf>

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

The said Policies have also been uploaded on Company's website at the following links: <http://www.sarthakmetals.com/docs/Policy-on-Criteria-for-Determining-Materiality-of-Events.pdf>

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

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

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

The said Policy has also been uploaded on Company's website at the following links: <http://www.sarthakmetals.com/docs/SML-Prevention-of-Sexual-Harrasment-Policy.pdf>

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

The Company has complied with the all the mandatory requirements during the Financial Year 2024-25.

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

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

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

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

12.9.

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

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

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

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

In respect of price risk of raw materials used for manufacturing purpose, the same is taken care of as per industry requirement. The Company's exposure in none of the commodities, which are sourced for use in its business,

material in the context of its overall operations. Furthermore, your Company mostly enters into long term contracts. These long-term contracts are benchmarked to international commodity exchanges. Thus, such benchmarking provides both supply side and demand side hedge to your Company's raw material price risks.

12.11.

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

12.12. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

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

12.13.

The Company has not advanced any Loans or Advances to any of the Directors or firms/companies in which directors are interested.

12.14.

There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of SEBI Listing Regulations where they have any personal interest that may have a potential conflict with the interest of the Company at large requiring disclosure by them to Board of Directors of the Company. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 28 of standalone financial statements forming part of the Annual Report.

12.15.

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

12.16.

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

12.17.

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

The Company as on date of this report has transferred ₹ 2,000 to the IEPF being unpaid dividend for seven consecutive years.

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

The Company during the Financial Year 2024-25 has not adopted any of the discretionary requirements as specified in Part E of Schedule II.

12.19.

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

Corporate Governance Certificate

To
The Members
SARTHAK METALS LIMITED

We have examined the compliance of conditions of Corporate Governance by SARTHAK METALS LIMITED ("the Company"), for the year ended on March 31, 2025, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of the conditions of Corporate Governance is a responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us by the Company the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended on March 31, 2025.

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

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

Place: Mumbai
Date: June 16, 2025

Sd/-
Prajakta V. Padhye
Partner
FCS No: 7478
CP No: 7891
PR No: 1908/2022
UDIN: F007478G000602644

Disqualification Report

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

To
The Members
SARTHAK METALS LIMITED

We have examined the relevant disclosures provided the by the Directors (as mentioned in below table) to SARTHAK METALS LIMITED (CIN: L51102CT1995PLC009772) having its Registered Office at B.B.C COLONY, KHURSIPAR, G.E.ROAD, BHILAI, Chhattisgarh - 490011 ("hereinafter referred to as the Company") for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) and the relevant disclosures provided the by the Directors (as mentioned in below table) to the Company, we hereby certify that none of the Directors on the Board of the Company as stated below as on March 31,2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	*Date of Appointment in the Company
1	Sanjay Chamanlal Shah	00350967	02/01/2003
2	Anoop Kumar Bansal	01661844	28/07/1995
3	Rama Kohli	01835824	24/08/2016
4	Dwadasi Venkata Giri	02565046	31/07/2020
5	Mayur Bhatt	07586457	21/08/2016
6	Sunil Kumar Agarwal	08680582	01/02/2020
7	Sunil Dutt Bhatt	09263587	04/08/2021

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

Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Mumbai
Date: June 16, 2025

Sd/-
Prajakta V. Padhye
Partner
FCS No: 7478
CP No: 7891
PR No: 1908/2022
UDIN: F007478G000602622

CEO & CFO Certification

The Board of Directors,
SARTHAK METALS LIMITED,
Bhilai - Chhattisgarh

We, Mayur Bhatt, Chief Executive Officer and Whole-Time Director and Mr. Anirudh Singhal, Chief Financial Officer of SARTHAK METALS LIMITED, to the best of knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at 31st March, 2025, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended 31st March, 2025.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The Financial Statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the Financial Statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct).
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Date: June 16, 2025
Place: Bhilai (C.G.)

Sd/-
Mayur Bhatt
Chief Executive Officer
PAN: ANIPB5781C

Sd/-
Anirudh Singhal
Chief Financial Officer
PAN: BELPS2753A

Annexure B

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

Salient features of the Policy:

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

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

Note:

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

Annexure C

FORM - AOC-2

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

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

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

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

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

Name(s) of the related party and nature of relationship		Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value (in ₹), if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
M/s Bansal Bothers	Enterprises over which significant Influence exists & A firm in which Director and KMP is Partner	Purchase of Goods and Services	Recurring (Annual)	14,11,62,752	22/05/2024	Nil
		Sales of Goods and Services		3,29,47,674		

Annexure D

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

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

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

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

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

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

2. The composition of the CSR committee:

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

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

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

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.:

Not Applicable

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

is less than 10 crores in the three immediately preceding financial years.

5. (a) Average net profit of the Company as per Section 135(5) of the Act:

₹ 3146.93 Lakhs.

(b) Two percent of average net profit of the Company as per Section 135(5) of the Act:

₹ 62.94 Lakhs.

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

Nil

(d) Amount required to be set off for the financial year, if any:

Nil

(e) Total CSR obligation for the financial year (7a+7b-7c):

₹ 62.94 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Total Amount Spent for the Financial Year		Amount Unspent	
Total Amount transferred to Unspent CSR Account as per Section 135 (6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act	
Amount	Date of transfer	Name of the Fund	Date of transfer
₹ 63.30	Nil	-	Nil

(₹ in Lakhs)

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No. of the Project	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (In ₹)	Amount spent in the current financial year (In ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (In ₹)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation- Through Implementing Agency Name
1.										

Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District			
1.	Sansthanam Abhay Danam Ram Astha Mission	(iv)	Yes	Chhattisgarh	Durg	4,00,000	No	Sansthanam Abhay Daanam
2.	Round Table India	(ii)	Yes	Chhattisgarh	Durg	1,50,000	No	Round Table India
3.	Red Cross Society	(i)	Yes	Chhattisgarh	Durg	2,20,000	No	Indian Red Cross Society, Chhattisgarh State
4.	Friends of Tribals Society	(x)	Yes	Chhattisgarh	Raipur	5,10,000	No	Friends of Tribals Society
5.	Bhagwan Mahavir Jain Relief Trust	(i)	Yes	Chhattisgarh	Raipur	48,00,000	No	Bhagwan Mahavir Jain Relief Trust
6.	Nosha Foundation	(i)	No	Rajasthan	Jaipur	2,00,000	No	Nosha Foundation
7.	Green Hills Almora	(ii)	No	Uttarakhand	Almora	50,000	No	Green Hills
								CSR00001492
								CSR000000895
								CSR000064721
								CSR00001898
								CSR00026129
								CSR000039958
								CSR00025968

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent on Impact Assessment, if applicable:

Nil

(f) Total amount spent for the Financial Year: (8b+8c+8d+8e):

₹ 63.30 lakhs

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

S. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135 (5)	62.94
(ii)	Total amount spent for the Financial Year	63.30
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.36
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

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

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

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

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

None

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

Not Applicable

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

Not Applicable

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

Nil

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act:

Not Applicable

Date: June 16, 2025**Place:** Bhilai (C.G.)

Sd/-

Anoop Kumar Bansal
Managing Director
DIN: 01661844

Sd/-

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

Annexure E

SECRETARIAL AUDIT REPORT

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

For the financial year ended March 31, 2025

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by "the Company" and submitted by the Company for verification through electronic mode and also the information provided by "the Company", its officers, agents authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended March 31, 2025 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment and External Commercial Borrowings;
- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable as the Company has not issued any Share based Employee Benefits during the financial year under review);
- (e) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued any further share capital during the financial year under review).
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period).
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable as the Company has not delisted/propose to delist any of its securities during the financial year under review.); and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/propose to buy back any of its securities during the financial year under review).

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

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

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

1. Regulation 30 read with sub-para 15(a) of Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') states that the listed entities are required to disclose the schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet/call. The intimation of earning call scheduled on 8th February, 2025 was given on 6th February, 2025 i.e. only one working day in advance intimation was given to the Stock Exchanges.
2. The Cost Auditor has submitted the Cost Audit Report for the year ended 31st March, 2024 on 13th November, 2024 and the Company has submitted the same within 30 days of receipt of the same as per requirement of the Companies Act, 2013.

I further report that

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

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

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

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

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

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

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

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

Place: Mumbai
Date: June 16, 2025

Sd/-
Prajakta V. Padhye
Partner
FCS No: 7478
CP No: 7891
PR No: 1908/2022
UDIN: F007478G000602644

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

ANNEXURE-I

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

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

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

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

Place: Mumbai
Date: June 16, 2025

Sd/-
Prajakta V. Padhye
Partner
FCS No: 7478
CP No: 7891
PR No: 1908/2022
UDIN: F007478G000602644

Independent Auditors' Report

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

OPINION

We have audited the standalone financial statements of **M/s SARTHAK METALS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2025, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory informations.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

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

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

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

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

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

MANAGEMENT'S RESPONSIBILITY

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

AS PART OF AN AUDIT IN ACCORDANCE WITH 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 controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.
- (e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to

the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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

- I. The Company does not have any pending litigations which would impact its financial position.
- II. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- III. There were no amounts which are required to be transferred by the Company to the Investor Education and Protection Fund.
- IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually

or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- VI. Based on our examination which included test checks except for the instances/matters mentioned below, the Company in respect of financial year commencing on 01st April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For, Begani & Begani

Chartered Accountants
(Frn: 010779 C)

(Sankalp Sohaney)

Partner
M.No.: 434993
UDIN: 25434993BMKWHG4599

Date: 22.05.2025

Place: Raipur (C.G.)

Annexure "A"

to the Auditors Report

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

We have audited the internal financial controls over financial reporting of **SARTHAK METALS LIMITED (Formerly known as Sarthak Metals Marketing Private Limited)** ("the Company") as of 31st March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures

selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Begani & Begani

Chartered Accountants
(Frn: 010779 C)

(Sankalp Sohaney)

Partner
M.No.: 434993
UDIN: 25434993BMKWHG4599

Date: 22.05.2025

Place: Raipur (C.G.)

Annexure "B"

to the Independent Auditor's Report*

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deeds/transfer deeds/conveyance deeds provided to us, we report that immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate from banks or financial institutions on the basis of security of current assets and Monthly/Quarterly Returns filed are in agreement with Books of Accounts of the Company.
- iii. The Company has made investments & has provided Loans to Companies during the year, in respect of which:
 - (a) The Company has not provided loans or advances in the nature of loans.
 - (b) In our opinion, the investments made are prima facie, not prejudicial to the Company's interest.
 - (c) The Company has not provided any loans or advances in the nature of loans.
 - (d) The Company has not provided any loans or advances in the nature of loans, hence 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 overdues of existing loans given to the same parties.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

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

There were no undisputed amounts payable in respect of Goods and Service tax, Income Tax and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

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

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

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

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

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

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

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

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

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

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

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

xi. (a) No fraud by the Company and no material 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

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

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

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

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

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- (b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which

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

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For, Begani & Begani

Chartered Accountants
(Fnn: 010779 C)

(Sankalp Sohaney)

Partner
M.No.: 434993
UDIN: 25434993BMKWHG4599

Date: 22.05.2025

Place: Raipur (C.G.)

Balance Sheet

As at 31st March 2025

(₹ In Lakhs, unless otherwise stated)

Particulars	Note	As at 31 st March, 2025	As at 31 st March, 2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2A	1,940.16	1,513.09
Capital work-in-progress	2B	33.08	17.73
Intangible Assets	3	0.00	1.21
Financial Assets			
Non-Current Investments	4	34.74	0.00
Other Financial Assets	5	19.39	36.99
Total Non-current assets		2,027.38	1,569.02
Current Assets			
Inventories	6	2,742.11	2,003.34
Financial Assets			
Trade Receivables	7	4,246.30	3,974.34
Cash and Cash Equivalents	8	237.19	1,637.54
Other Balances with Banks	9	2,679.60	1,905.20
Other Current Assets	10	511.04	903.71
Total Current Assets		10,416.25	10,424.13
Total Assets		12,443.63	11,993.15
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11	1,368.98	1,368.98
Other Equity	12	10,652.28	10,239.78
Total Equity		12,021.25	11,608.75
LIABILITIES			
Non-Current Liabilities			
Provisions	13	126.10	103.22
Deferred Tax Liabilities (Net)	14	26.40	20.08
Total Non-Current Liabilities		152.50	123.30
Current Liabilities			
Financial liabilities			
Trade Payables	15	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		98.89	13.01
Other Current Liabilities	16	30.22	67.56
Provisions	17	115.37	110.52
Current Tax Liabilities (Net)	18	25.40	70.01
Total Current Liabilities		269.88	261.09
Total Liabilities		422.38	384.39
Total Equity and Liabilities		12,443.63	11,993.15

See accompanying notes to the financial statements

1
2A-37

As per our report of even date attached

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

For and on behalf of board of director of
SARTHAK METALS LIMITED

(Sankalp Sohaney)
Partner
M.No.: 434993

(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

(Mayur Bhatt)
Whole-Time Director
DIN: 07586457

Place: Raipur (C.G.)
Date: 22.05.2025
UDIN: 25434993BMKWHG4599

(Pratik Jain)
Company Secretary
PAN-AUMPJ3071G

(Anirudh Singhal)
CFO
PAN-BELPS2753A

Statement of Profit and Loss

For the year ended 31st March 2025

(₹ In Lakhs, unless otherwise stated)

Particulars	Note	Period ended 31 st March, 2025	Period ended 31 st March, 2024
Revenue from Operations	19	17,842.01	30,517.35
Other Income	20	270.43	192.52
Total Income (I)		18,112.43	30,709.87
Expenses			
Purchase of Stock-in-trade			
Cost of Materials Consumed	21	14,765.25	25,999.46
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	22	13.67	-133.34
Employee Benefits Expense	23	1,128.41	950.76
Finance Costs	24	63.62	78.27
Depreciation and Amortisation Expense	2 & 3	275.14	203.43
Other Expenses	25	1,238.24	1,714.71
Total Expenses (II)		17,484.33	28,813.29
Profit Before exceptional and extraordinary items and tax (I-II)		628.11	1,896.58
Exceptional items		0.00	0.00
Profit Before tax (I-II)		628.11	1,896.58
Tax Expense			
(1) Current Tax		184.00	480.00
(2) Deferred Tax	14	6.15	8.85
(3) Current taxes relating to earlier years		25.98	24.90
Profit for the period		411.98	1,382.83
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		0.69	0.60
- Income tax (expense)/benefit related to items that will not be reclassified to Profit and loss		0.17	0.15
Total Other comprehensive income (Net of Tax)		0.52	0.45
Total Comprehensive income for the Year		412.50	1,383.28
Earnings per Equity Share of ₹ 100 Each	31		
Basic (in ₹)		3.01	10.10
Diluted (in ₹)		3.01	10.10
See accompanying notes to the financial statements	1 2A-37		

As per our report of even date attached

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

(Sankalp Sohaney)
Partner
M.No.: 434993

Place: Raipur (C.G.)
Date: 22.05.2025
UDIN: 25434993BMKWHG4599

(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

(Pratik Jain)
Company Secretary
PAN-AUMPJ3071G

For and on behalf of board of director of
SARTHAK METALS LIMITED

(Mayur Bhatt)
Whole-Time Director
DIN: 07586457

(Anirudh Singhal)
CFO
PAN-BELPS2753A

Statement of Cash flow

For the year ended 31st March 2025

(₹ In Lakhs, unless otherwise stated)

Particulars	Year Ended 31 st March, 2025	Year Ended 31 st March, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit & Loss Account	628.11	1,896.58
Adjustment for:		
Depreciation	275.14	203.43
Interest (Net)	-144.40	-63.91
Provision for Employee Benefits	0.69	0.60
Provision Expected Credit Loss	3.12	-10.47
Loss/(profit) on sale of fixed assets	-1.71	-13.44
Loss/(profit) on sale of Investments	1.76	0.00
	134.61	116.20
Operating Profit before Working Capital changes	762.71	2,012.78
Adjustment for:		
Decrease/(Increase) in Inventories	-738.77	-548.88
Decrease/(Increase) in trade receivables	-275.08	1,341.84
Decrease/(Increase) in other current assets	392.66	390.95
Decrease/(Increase) in other financial assets	17.60	112.92
Increase/Decrease) in provisions	-16.88	-124.67
Increase/(Decrease) in trade payables	85.88	-39.23
Increase/(Decrease) in current liabilities	-37.34	39.88
	-571.93	1,172.81
Cash generated from Operations	190.79	3,185.59
Direct Taxes (Net)	-209.98	-504.90
Net Cash from Operating Activities	-19.19	2,680.69
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Investment in Fixed Assets including Capital WIP	-716.55	-469.80
Proceeds from sale/Subsidy of fixed assets	1.90	24.90
Proceeds from sale of Investments	-36.50	0.00
Interest Received	184.05	112.04
Net Cash used in Investing Activities	-567.10	-332.86
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest Paid	-39.65	-48.13
Dividend Paid	0.00	-273.80
Net Cash from financing Activities	-39.65	-321.93
Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	-625.94	2,025.90
Cash and cash equivalents as at 01/04/2024 (as per note-'13')	3,542.73	1,516.83
Cash and cash equivalents as at 31/03/2024 (as per note-'13')	2,916.79	3,542.73
Increase/(decrease) in Cash and Cash equivalents	-625.94	2,025.90

Notes:

The above cash flow statement has been prepared by using indirect method as per Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

As per our report of even date attached

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

For and on behalf of board of director of
SARTHAK METALS LIMITED

(Sankalp Sohaney)
Partner
M.No.: 434993

(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

(Mayur Bhatt)
Whole-Time Director
DIN: 07586457

Place: Raipur (C.G.)
Date: 22.05.2025
UDIN: 25434993BMKWHG4599

(Pratik Jain)
Company Secretary
PAN-AUMPJ3071G

(Anirudh Singhal)
CFO
PAN-BELPS2753A

Statement of Changes in Equity

For the year ended 31st March 2025

(₹ In Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
As at 1st April, 2023	1,36,89,750	1,368.98
Changes in equity share capital during the year	-	-
As at 31 March, 2024	1,36,89,750	1,368.98
Changes in equity share capital during the year	-	-
As at 31 March, 2025	1,36,89,750	1,368.98

B. OTHER EQUITY

Particulars	Reserves and Surplus		Remeasurement of net defined benefit plan through OCI	Total
	Securities Premium Reserves	Retained Earnings		
Balance as on 31st March 2023	433.91	8,700.43	-4.04	9,130.30
Profit/(loss) for the year	-	1,382.83	-	1,382.83
Other Comprehensive Income/(loss)	-	-	0.45	0.45
Total Comprehensive Income for the year	433.91	10,083.26	-3.60	10,513.57
Dividends paid (incl. dividend distribution tax)	-	-273.80	-	-273.80
Transfer to General Reserves	-	-	-	-
Balance as on 31st March 2024	433.91	9,809.47	-3.60	10,239.78
Profit/(loss) for the year	-	411.98	-	411.98
Other Comprehensive Income/(loss)	-	-	0.52	0.52
Total Comprehensive Income for the year	433.91	10,221.45	-3.08	10,652.28
Dividends paid (incl. dividend distribution tax)	-	-	-	-
Transfer to General Reserves	-	-	-	-
Balance as on 31st March 2025	433.91	10,221.45	-3.08	10,652.28

Significant Accounting Policies and Explanatory Notes to Financial Statements

COMPANY PROFILE

Sarthak Metals Limited (hereinafter referred to as 'the Company') is a public Company domiciled in India. Earlier the Company was known as Sarthak Metals Marketing Private Limited. Its shares are listed on BSE and NSE Stock Exchange. The Company is engaged in the manufacturing and selling cored wires ferro alloys aluminium wire and related items.

1.1 Basis of Preparation

The financial statements of the Company are based on the principle of historical cost except for certain financial assets and liabilities and defined benefit plan that are measured at fair value, and are drawn up to comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

1.2 Use of Estimates and Judgments

In preparing the Financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations.

The estimates and judgments used in the preparation of the Financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

1.3 Material accounting policy information

(a) Property, Plant & Equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment

are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Depreciation and Amortisation

Depreciation on each part of an item of property, plant and equipment is provided using the Written Down Value Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the period of the lease.

The Estimated useful lives of the assets are as follows:

Asset Class	Useful Life taken
Factory Building	30 and 60 years
Plant & Machinery	5 to 15 years
Furniture & Fixtures	10 years
Vehicles	8 to 10 years
Office Equipments	5 years
Computers	3 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of

property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(b) Intangible Assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

The Company had elected to consider the carrying value of all its intangible assets appearing in the financial statements prepare in accordance with Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on 1st April, 2020.

Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Asset Class	Useful Life
Computer Software	6 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration

is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

Export Incentive:

Income from Export Incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(d) Other Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(e) Inventories

Raw materials components stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials components and stores and spares is determined on FIFO basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials. Cost of finished goods includes GST. Cost is determined on FIFO basis.

Traded goods are valued at estimated cost based on the selling price of the stock based on the past practice.

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

(f) Financial Instruments

(i) Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at:

amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method.

fair value through profit and loss (FVTPL)

Assets shall be measured at FVPL unless it is measured at amortised cost or at FVOCI. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in Other Income."

fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The movements in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognised in other gains/(losses). Interest income from these financial assets is included in Other Income using the effective interest rate method.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Derecognition

Financial assets are derecognised when contractual rights to receive cash flows from the financial assets expire or the financial assets are transferred together with all material risks and benefits.

(ii) Financial Liabilities

Financial liabilities are initially recognised at fair value if the Company has a contractual obligation to transfer cash or other financial assets to another party. Borrowings and payables are recognised net of directly attributable transaction costs. In subsequent periods, such liabilities are measured at amortised cost using the effective interest method.

Derecognition

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled, or has expired.

(g) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The Company applies Expected Credit Loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost. The Company follows 'simplified approach' permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss on trade receivables and lease receivables based on expected lifetime losses at each reporting date right from its initial recognition. If the reasons for previously recognised impairment losses no longer apply, the impairment losses are reversed provided that this does not cause the carrying amounts to exceed the amortised cost of acquisition.

(h) Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted prices in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

(i) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(j) Investments

"Financial assets are recognised and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Company recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVPL), transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVPL. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investment in Equity Instruments are classified as FVPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investment in equity instruments which are not held for trading."

(k) Foreign Currency Transactions

The Financial statements are presented in Indian Rupee, which is the Company's functional and presentation

currency. A Company's functional currency is that of the primary economic environment in which the Company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

Non-Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(l) Income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current Tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(m) Provisions, Contingent Liabilities and Contingent Assets

"A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Financial statements unless an inflow of economic benefits is probable."

(n) Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with

an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(o) Provision for Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

i) Provident fund scheme:

The Company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

ii) Gratuity scheme:

The Company has a Defined Benefit Plan namely Gratuity covering its employees. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management

considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

(p) Lease Accounting

Assets taken on lease:

The Company mainly has lease arrangements for offices.

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straightline method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects

to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonable certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

(q) Impairment of Non-financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets/cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

(r) Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

(s) Dividends Payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(t) Earnings Per Share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(u) Events after Reporting Date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(v) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(w) Rounding of Amounts

All amounts disclosed in the Financial statements and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

(x) Recent Accounting Pronouncements**a. New and Amended Standards Adopted by the Company:**

The Company has applied the following amendments for the first time for their annual reporting period commencing April 1, 2023:

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment does not have any material impact on the Company's financial statements and disclosures.

Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

b. New Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and Amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in Financial Statements.

(y) Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(i) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

(iii) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation

techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(v) Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

2A. PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Freehold Land	Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount								
Balance as at 31st March, 2023	222.38	741.25	943.59	25.38	277.12	29.61	43.20	2,282.53
Additions during the year	-	42.10	521.29	3.10	53.23	2.08	1.65	623.43
Disposals/Reclassifications during the year	-	-	18.00	-	58.97	-	-	76.97
Balance as at 31st March, 2024	222.38	783.34	1,446.87	28.48	271.38	31.69	44.85	2,829.00
Additions during the year	-	58.97	637.92	0.30	-	2.45	1.55	701.20
Disposals/Reclassifications during the year	-	-	-	-	9.19	-	-	9.19
Balance as at 31st March, 2025	222.38	842.32	2,084.80	28.78	262.19	34.14	46.40	3,521.00
Accumulated Depreciation								
Balance as at 31st March, 2023	-	286.09	583.99	22.72	224.10	23.68	38.18	1,178.77
Depreciation expense for the year	-	42.52	126.44	1.13	26.09	2.70	3.76	202.64
Eliminated on disposal of asset/reclassifications	-	-	8.43	-	57.08	-	-	65.51
Balance as at 31st March, 2024	-	328.61	702.01	23.85	193.11	26.38	41.94	1,315.91
Depreciation expense for the year	-	44.49	199.36	1.23	24.10	2.53	2.24	273.93
Eliminated on disposal of asset/reclassifications	-	-	-	-	9.00	-	-	9.00
Balance as at 31st March, 2025	-	373.10	901.36	25.08	208.21	28.91	44.18	1,580.84
Net Carrying amount								
Balance as at 31 st March, 2023	222.38	455.16	359.59	2.66	53.02	5.93	5.02	1,103.76
Balance as at 31 st March, 2024	222.38	454.73	744.86	4.63	78.27	5.31	2.91	1,513.09
Balance as at 31st March, 2025	222.38	469.22	1,183.43	3.70	53.98	5.23	2.22	1,940.16

2B.

Capital work-in-progress	Plant & Machinery	Building	As at 31 st March, 2025	Amount in CWIP for a Period of			Total
				Less than 1 year	1-2 years	2-3 Years	More than 3 years
Projects in Progress	33.08	0.00	33.08	33.08	-	-	-
Balance as at 31st March, 2025	33.08	0.00	33.08	33.08	-	-	33.08
Capital work-in-progress	Plant & Machinery	Building	As at 31st March, 2024	Less than 1 year	1-2 years	2-3 Years	More than 3 years
Projects in Progress	13.41	4.32	17.73	17.73	-	-	-
Balance as at 31st March, 2024	13.41	4.32	17.73	17.73	-	-	17.73

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

3.

Intangible Assets	Software	Total
Gross Carrying Amount	39.84	39.84
Balance as at 31st March, 2023	39.84	39.84
Additions during the year	-	-
Deductions during the year	-	-
Balance as at 31st March, 2024	39.84	39.84
Additions during the year	-	-
Deductions during the year	-	-
Balance as at 31st March, 2025	39.84	39.84
Accumulated Amortization		
Balance as at 31st March, 2023	37.85	37.85
Amortization expense for the year	0.79	0.79
Deductions for the year	-	-
Balance as at 31st March, 2024	38.64	38.64
Amortization expense for the year	1.21	1.21
Deductions for the year	-	-
Balance as at 31st March, 2025	39.84	39.84
Net Carrying amount		
Balance as at 31 st March, 2023	1.99	1.99
Balance as at 31 st March, 2024	1.21	1.21
Balance as at 31st March, 2025	-	-

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

4. NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Investment in Equity Instruments		
(Fair value through Profit & Loss)		
Unquoted	34.74	-
Details as below		
Total	34.74	-

Particulars	Units	As at 31 st March, 2025
HDFC Small Cap	3,814.01	4.63
HSBC Large and Mid Cap	27,922.38	6.63
IPru Bharat 22 FoF	9,625.51	2.94
Motilal Oswal Mid Cap	7,614.70	7.05
Motilal Oswal Nifty Microcap 250 Index Fund	45,531.78	6.85
Nipp Ind Multi Cap Fund	1,068.67	2.88
Nipp Ind Small Cap Fund	2,514.40	3.77
		34.74
Aggregate cost of unquoted investments	36.50	-
Aggregate amount of impairment in value of investments.	-	-

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

5. OTHER FINANCIAL ASSETS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured and Considered Good		
Sundry Deposits	19.39	36.99
Total	19.39	36.99

6. INVENTORIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Raw Materials	2,244.43	1,521.84
Finished Goods	417.60	431.27
Stores, Spares and Consumables	80.08	50.23
Total	2,742.11	2,003.34

7. TRADE RECEIVABLES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured:		
Considered good	4,267.64	3,994.32
Less: Allowance for Expected Credit Loss	-21.34	-19.97
Total	4,246.30	3,974.34

Ageing of account receivables at Gross Level: Undisputed* Trade receivables -considered good

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Not yet due		
0-6 months	4,041.59	3,788.36
6 Months to 1 Year	31.80	77.66
1-2 Year	88.54	57.84
2-3 Year	56.03	19.10
More than 3 Years	49.68	51.37
Less: Allowance for Expected Credit Loss	-21.34	-19.97
Total	4,246.30	3,974.34

*There are no disputed trade receivables

8. CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Cash and Cash Equivalents		
Cash on hand	4.16	8.22
Balances with Banks		
In Current Accounts	233.03	1,629.32
Total	237.19	1,637.54

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

9. OTHER BALANCES WITH BANKS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Term Deposits*	2,676.18	1,900.61
Unpaid Dividend Account	3.41	4.59
Total	2,679.60	1,905.20

*Margin money deposits ₹ 64.63/- as at 31st March, 2025 (₹ 41.79/- as at 31st March, 2024) are subject to first charge to secure the Company's Line of Credit Buyers' Credit and Bank Guarantees.

10. OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance with Government Authorities	292.05	264.95
Advance Income Tax (Net of Provision for Tax)	31.40	31.40
Prepaid Expenses	12.78	7.89
Others		
Advances to Employees	1.60	0.14
Research And Development (For New Product)	11.32	11.07
Advances to Suppliers	161.89	588.25
Total	511.04	903.71

11. EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Authorised:		
1,50,00,000 Equity Shares of ₹ 10 each	1,500.00	1,500.00
	1,500.00	1,500.00
Issued, Subscribed and Paid up:		
1,36,89,750 Equity Shares of ₹ 10 Each Fully Paid up.	1,368.98	1,368.98
	1,368.98	1,368.98

a) Reconciliation of number of shares

Equity Shares	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	(₹)	Number	(₹)
Shares outstanding at the beginning of the year	1,36,89,750	1,368.98	1,36,89,750	1,368.98
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,36,89,750	1,368.98	1,36,89,750	1,368.98

b) Details of shareholders holding more than 5% of shares:

Name of Shareholders	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 10 each held by:				
1. Shri Manoj Kumar Bansal	37,82,700	27.63%	37,82,700	27.63%
2. Shri Anoop Kumar Bansal	11,45,250	8.37%	11,45,250	8.37%
3. Shri Sanjay C Shah	8,64,403	6.31%	5,80,950	4.24%
4. Shri Kishore Kumar Bansal	7,41,000	5.41%	7,41,000	5.41%

As per the records of the Company, including its registers of Shareholders/Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

c) Details of shareholding of promoters:

Name of Shareholders	As at 31 st March, 2025		As at 31 st March, 2024		% Change in Holding
	% of Holding	No. of Shares held	% of Holding	No. of Shares held	
Equity Shares of ₹ 10 each held by:					
1. Shri Manoj Kumar Bansal	27.63%	37,82,700	27.63%	37,82,700	-
2. Shri Anoop Kumar Bansal	8.37%	11,45,250	8.37%	11,45,250	-
3. Shri Sanjay C Shah	6.31%	8,64,403	4.24%	5,80,950	2.07%
4. Shri Kishore Kumar Bansal	5.41%	7,41,000	5.41%	7,41,000	-

d) Rights, preferences and restrictions:

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. the distribution will be in proportion to the no. of equity shares held by shareholder.

e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/year end.

f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

12. OTHER EQUITY

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Securities Premium Reserve	433.91	433.91
Retained Earnings		
As per last Balance Sheet	9,805.87	8,696.39
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	412.50	1,383.28
Less: Appropriations		
Dividend distributed during the year	-	273.80
Closing Balance	10,218.37	9,805.87
Total	10,652.28	10,239.78

No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

Proposed dividend

On 22nd May 2025, the Board of Directors proposed a final dividend of ₹ 0.50 (5%) per equity share (face value of ₹ 10 per equity share) for the financial year 2024-25, which have to be approved by the shareholders in annual general meeting.

13. PROVISIONS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for Employee Benefits		
Provision for Gratuity	126.10	103.22
Total	126.10	103.22

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

14. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Deferred Tax Liabilities		
Arising on account of:		
Provision for Employee Defined Benefit obligations	35.65	29.24
Deferred Tax Assets		
Arising on account of:		
"Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961"	-3.66	-4.14
Fair valuation of Investments	-0.22	0.00
Allowances for Doubtful debt and Advances	-5.37	-5.03
Total	26.40	20.08

15. TRADE PAYABLES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(a) Dues to MSME	-	-
(b) Dues to Other than MSME	98.89	13.01
Total	98.89	13.01

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	-	-
Interest	-	-
Total	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of trade payables at Gross Level:

Unsecured	As at 31 st March, 2025	As at 31 st March, 2024
0-1 Year	97.80	11.92
1-2 Year	-	1.09
2-3 Year	-	-
More than 3 Years	1.09	-
Total	98.89	13.01

16. OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advance from Customers	7.69	44.19
Statutory Liabilities	19.17	18.84
Unpaid Dividend	3.36	4.53
Total	30.22	67.56

17. PROVISIONS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provision for Employee Benefits		
Provision for Gratuity	15.56	12.96
Provision for Salary, Bonus & Leave Salary	99.82	97.56
Total	115.37	110.52

18. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Tax Payable (Net of Advance Tax & TDS)	25.40	70.01
Total	25.40	70.01

19. REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
(i) Sales of products		
Home Market (Net of Returns)	14,351.27	25,946.75
Exports	3,135.45	4,431.04
(ii) Sales of Service	243.46	-
	17,730.18	30,377.79
(iii) Other Operating Revenues		
Sale of Scrap	77.68	94.76
Export Incentives	34.14	44.80
Total	17,842.01	30,517.35

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Disaggregation of Revenue:

Management conclude that disaggregation of revenue disclosed above meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Revenue as per contracted price	17,730.18	30,377.79
Less: Discounts	-	-
Revenue from contract with customers	17,730.18	30,377.79

20. OTHER INCOME

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest Income from financial assets at amortised cost		
On bank deposits	182.99	110.96
Other Interest	1.06	1.08
Other non-operating Income (Net of expenses directly attributable to such income)		
Insurance Claim	22.13	-
Provision for Doubtful Debts no longer required	-	10.47
Other gains and losses		
Net Gain on foreign currency transactions & translation	62.54	56.56
Profit on Sale of Property, Plant & Equipment	1.71	13.44
Total	270.43	192.52

21. COST OF MATERIALS CONSUMED

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Raw materials		
Opening stock	1,521.84	1,108.18
Add: Purchases of Raw Material	15,487.83	26,413.12
Less: Closing stock	2,244.43	1,521.84
TOTAL	14,765.25	25,999.46
Total	14,765.25	25,999.46

22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Inventories at the beginning of the year		
Finished Goods	431.27	297.93
(a)	431.27	297.93
Inventories at the end of the year		
Finished goods	417.60	431.27
(b)	417.60	431.27
Net (Increase)/Decrease in Inventories (a) -(b)	13.67	-133.34

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

23. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Salaries, wages and benefits	1,048.20	875.03
Contribution to provident and other funds	57.16	50.26
Staff welfare expenses	23.05	25.47
Total	1,128.41	950.76

24. FINANCE COSTS

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Interest expense		
- Cash credit facilities/Letter of credit and buyers' credit	37.99	48.13
- Others	1.66	3.10
Other Borrowing Costs	23.96	27.04
Total	63.62	78.27

2 & 3. Depreciation and Amortisation Expense

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Depreciation on Property, Plant & equipment & Right of Use and Amortisation of Intangible Assets	275.14	203.43
Total	275.14	203.43

25. OTHER EXPENSES

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Consumption of Stock, Stores, Spares, Oil & Lubricant	328.84	695.66
Power and Fuel	46.47	50.50
Security Charges	12.33	13.93
Freight and handling Charges	424.13	500.94
Brokerage and Commission	11.06	21.78
Advertisement and Sales Promotion Expenses	27.60	19.95
Legal and Professional expenses	49.47	73.89
Travelling & Conveyance	70.86	63.66
Rent Expenses	13.88	13.27
Repairs & Maintenance		
- Others	20.01	26.74
- Machinery	82.07	101.62
Rates, Fees and Taxes	0.99	0.18
Testing and Sampling Charges	13.60	3.95
Insurance	20.97	29.62
Printing, Stationery and Communication Expenses	13.31	13.68
Corporate Social Responsibility Expenses and Other Donations*	63.30	58.56

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

25. OTHER EXPENSES (Contd.)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Payment to Auditors		
- Statutory Audit Fees	3.50	3.50
- Tax Audit	1.50	1.50
Coat Auditor/Internal Auditor Fees	0.38	1.38
Provision for Doubtful Debts	1.37	0.00
Sundry Balances Written Off	11.36	3.31
Loss on Fair valuation of Investments	1.76	0.00
Miscellaneous Expenses	19.50	17.11
Total	1,238.24	1,714.71

*Note: Corporate Social Responsibility Expenses

A

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Gross Amount Required to be spent by the Company	62.94	57.85

B

Amount spent during the year/period on:	Year ended 31 st March, 2025	Year ended 31 st March, 2024
i Construction/Acquisition of ant assets	-	-
ii Purpose othar than above	63.30	57.85

C

Amount spent during the year/period on:	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Related party transactions in relation to Corporate Social Responsibility	-	-

D

Provision movement during the year/Period:	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Opening provision	-0.82	-0.11
Addition during the year/Period	62.94	57.85
Utilised during the year/Period	63.30	58.56
Closing provision	-1.18	-0.82

26. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts	As at 31 st March, 2025	As at 31 st March, 2024
Demand Raised By Income Tax Deptt. (A.Y.18-19) (Pending Before CIT Appeal)	10.16	10.16
Demand Raised By Income Tax Deptt. (A.Y. 15-16) (Pending Before CIT Appeal)	19.20	-
Assitant Provident Fund Commissioner Regional Office (Pending Before Central Government Industrial Tribunal, Jabalpur MP)	22.54	-

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

27. ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

See accounting policy in Note 1.(o)

For details about the related employee benefit expenses, see Note 28

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

Claims against the Company not acknowledged as debts	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Provident Fund and other Funds	57.16	50.26
Total (included in Note 28 - 'Contribution to provident and other funds')	57.16	50.26

B. Defined Benefit Obligation:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/Company policy multiplied for the number of years of service.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity	
	31-Mar-2025	31-Mar-2024
Principal actuarial assumptions		
Discount rate	6.93%	7.23%
Range of compensation increase	10.00%	10.00%
Withdrawal Rate:		
- Younger ages	5.00%	5.00%
- Older ages	2.00%	2.00%

Actuarial study analysis	Gratuity	
	31-Mar-2025	31-Mar-2024
Components of income statement charge		
Current service cost	17.76	15.64
Interest cost	8.40	7.03
Recognition of past service cost		
Immediate recognition of (gain)/losses	26.16	22.66
Settlement/curtailment/termination loss	-	1.10
Total charged to statement of profit or loss	26.16	21.57
Movements in net liability/(asset)		
Net liability at the beginning of the year	116.18	95.21

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Actuarial study analysis	Gratuity	
	31-Mar-2025	31-Mar-2024
Employer contributions		
Total expense recognised in the statement of profit or loss	26.16	21.57
Total amount recognised in OCI	0.69	0.60
Net liability at the end of the year	141.65	116.18
Reconciliation of benefit obligations		
Obligation at start of the year	116.18	95.21
Current service cost	17.76	15.64
Net Interest cost	8.40	7.03
Benefits paid directly by the Group	0.69	1.69
Defined benefits obligations at the end of the year	141.65	116.18
Re-measurements of defined benefit plans		
Actuarial gain/(loss) due to changes in demographic assumptions	-	-
Actuarial gain/(loss) due to changes in financial assumptions	4.88	2.12
Actuarial gain/(loss) on account of experience adjustments	-5.57	-2.71
Total actuarial gain/(loss) recognised in OCI	-0.69	-0.60

C. Sensitivity analysis of significant assumptions:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	31-Mar-2025		31-Mar-2024	
	% increase in DBO	Liability	% increase in DBO	Liability
Discount rate				
+ 0.5% discount rate	-5.67%	133.62	-5.91%	109.32
- 0.5% discount rate	6.23%	132.84	6.51%	123.74
Salary increase				
+ 0.5% salary growth	4.89%	148.58	5.21%	122.23
+ 0.5% salary growth	-4.68%	135.03	-4.97%	110.41

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

28. RELATED PARTY DISCLOSURES AS PER IND AS 24

1) Related parties with whom transactions have taken place during the year and its relationship:

Name of the related parties	Designation/Relationship
Shri Anoop Kumar Bansal	Key Management Personnel
Shri Manoj Kumar Bansal	Key Management Personnel
Shri Kishore Kumar Bansal	Key Management Personnel
Shri Sanjay C. Shah	Key Management Personnel
Shri Mayur Bhatt	Key Management Personnel
Shri Sunil Kumar Agarwal	Key Management Personnel
Shri Anirudh Singhal	Key Management Personnel
Sunil Dutt Bhatt	Key Management Personnel
Dwadasi Venkata Giri	Key Management Personnel
Rama Kohli	Key Management Personnel
Pratik Jain	Key Management Personnel
Shri Gaurav Agarwal	Relative Key Management Personnel
Shri Samarth Bansal	Relative Key Management Personnel
Shri Sarthak Bansal	Relative Key Management Personnel
Shri Sagar Shah	Relative Key Management Personnel
Shalini Shah	Relative Key Management Personnel
Shreya Agarwal	Relative Key Management Personnel
Jaya Bhatt	Relative Key Management Personnel
Bansal Brothers (Trading Div.)	Enterprises Over Which Significant Influence
Bansal Brothers (Rasmada)	Enterprises Over Which Significant Influence
Bansal Brothers (FAD)	Enterprises Over Which Significant Influence

2. Transactions during the year:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Remuneration		
Shri Anoop Kumar Bansal	65.00	66.50
Shri Sanjay C. Shah	65.00	66.50
Shri Mayur Bhatt	13.00	13.50
President Salary		
Shri Manoj Kumar Bansal	65.00	66.50
Sitting Fees		
Shri Sunil Kumar Agarwal	0.60	1.00
Shri Dwadasi Venkata Giri	1.20	1.20
Shri Sunil Dutt Bhatt	1.20	1.20
Ms Rama Kohli	1.00	0.40

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

2. Transactions during the year: (Contd.)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Sales		
Bansal Brothers (Trading Div.)	130.40	37.33
Bansal Brothers (FAD)	23.12	280.21
Bansal Brothers (Rasmada)	175.96	52.79
Purchase of Goods		
Bansal Brothers (FAD)	1,151.56	1,144.44
Bansal Brothers (Trading Div.)	35.13	53.98
Bansal Brothers (Rasmada)	224.94	122.82
Staff Salary		
Shri Gaurav Agarwal	39.00	40.50
Shri Anirudh Singhal	16.90	17.55
Itika Singhal	-	-
Shri Samarth Bansal	48.75	50.13
Shri Sarthak Bansal	48.75	50.13
Shri Sagar Shah	16.25	16.88
Shalini Shah	7.20	7.50
Shreya Agarwal	0.00	6.75
Jaya Bhatt	7.80	8.10
Mr. Pratik Jain	6.18	5.79
	2,143.93	2,111.68

3. Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off/ written back, except what is stated above.

Related party relationship is as identified by the management and relied upon by the auditors.

29. FINANCIAL INSTRUMENTS

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

A) Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Financial Assets and Liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

a. Financial Assets

Instruments carried at fair value

	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Instruments carried at amortized cost*	Total Fair Value	Total Carrying Value
As at 31st March, 2024						
(i) Investments	-	-	-	-	-	-
(ii) Other financial assets	-	-	-	36.99	36.99	36.99
(iii) Trade receivables	-	-	-	3,974.34	3,974.34	3,974.34
(iv) Cash and cash equivalents	-	-	-	1,637.54	1,637.54	1,637.54
(v) Other Balances with Banks	-	-	-	1,905.20	1,905.20	1,905.20
Total	-	-	-	7,554.07	7,554.07	7,554.07
As at 31st March, 2025						
(i) Investments	-	-	34.74	-	34.74	36.50
(ii) Other financial assets	-	-	-	19.39	19.39	19.39
(iii) Trade receivables	-	-	-	4,246.30	4,246.30	4,246.30
(iv) Cash and cash equivalents	-	-	-	237.19	237.19	237.19
(v) Other Balances with Banks	-	-	-	2,679.60	2,679.60	2,679.60
Total	-	-	34.74	7,182.49	7,217.23	7,218.99

b. Financial Liabilities

	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
As at 31st March, 2024				
(i) Trade Payables	-	13.01	13.01	13.01
Total	-	13.01	13.01	13.01
As at 31st March, 2025				
(i) Trade payables	-	98.89	98.89	98.89
Total	-	98.89	98.89	98.89

*The carrying value and fair value approximation, if any.

c. Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

The below table summarises the categories of financial assets and liabilities as at March 31, 2025 and March 31, 2024 measured at fair value:

As at 31 st March, 2024	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Units of Mutual Funds	-	-	-	-

As at 31 st March, 2025	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Units of Mutual Funds	34.74	-	-	34.74

29. SEGMENT REPORTING

The Managing Director & CEO, and Executive Director & CFO are identified as Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Cord Wire" as its operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statement as at and for the year ended March 31, 2025.

Geographical Information

a. Revenue from external customers	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Attributed to the Company's country of domicile, India	14,594.73	25,946.75
Attributed to all foreign countries	3,135.45	4,431.04
Total	17,730.18	30,377.79
b. Revenues from transactions with a customers exceeding 10% of the Company's sales in current as well as previous year.	6,636.98	12,386.07

c. Non-current assets (excluding Deferred/Current Tax and Financial Assets)	Year ended 31 st March, 2025	Year ended 31 st March, 2024
located in the Company's country of domicile, India	1,973.25	1,532.03
located in all foreign countries	-	-
Total	1,973.25	1,532.03

30. INCOME TAX

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
(i) Tax expense recognised in the statement of profit and loss		
Current Tax on profits for the year	184.00	480.00
Adjustments for current tax of prior periods	25.98	24.90
Total Current Tax Expense	209.98	504.90
Deferred Tax charge/(credit) P&L	6.15	8.85
(Decrease) increase in deferred tax liabilities	0.00	0.00
Total Deferred Tax Expense	6.15	8.85
Income tax expense recognised in the statement of profit and loss	216.13	513.75
(ii) Tax expense recognised in OCI		
Deferred Tax:		
Deferred Tax expense on Remeasurement of defined benefit plans	0.17	0.15
Income tax expense recognised in the statement of profit and loss	0.17	0.15

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable to the Company (in %)	25.168%	25.168%
Profit/ (Loss) before income tax expense	628.11	1,896.58
Current tax expense on Profit/ (loss) before tax expenses at enacted income tax rate in India	158.08	477.33
Tax effects of :		
Tax effect on non-deductible expenses	15.93	0.35
Effect of Income which is taxed at special rates	0.01	-0.38
Effect of difference in WDV of Assets	-0.48	10.04
Other items	16.60	1.50
Tax in respect of previous years	25.98	24.90
Total	216.13	513.75
Income tax expense	216.13	513.75

Consequent to reconciliation items shown above, the effective tax rate is 25.21% (Previous year:25.51%).

The details of Income tax Assets/Liabilities are as follows:

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Advance Income Tax (Net of Provision for Tax)	31.40	31.40
Tax Payable (Net of Advance Tax & TDS)	25.40	70.01
Net Income Tax Liability at the end of the year	-6.00	38.61

31. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	411.98	1,382.83

ii. Weighted average number of ordinary shares

Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Equity shares outstanding as at year end	136.90	136.90
Weighted average number of shares as at year end for basic earnings per shares	136.90	136.90
Weighted average number of shares as at year end for diluted earnings per shares	136.90	136.90
Basic earnings per share	3.01	10.10
Diluted earnings per share	3.01	10.10

(*not annualised)

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

32. FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk.

(A) Credit risk

"Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition.

It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days for the 31st March 2025, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Reconciliation of loss allowance - Trade Receivables

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Opening balance	19.97	30.44
Allowance/(Reversal) made during the year	1.37	-10.47
Closing balance	21.34	19.97

The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company believes that the current value of trade receivables reflects the fair value/recoverable values.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at 31 st March, 2025			As at 31 st March, 2024		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Upto 1 year	More than 1 year		Upto 1 year	More than 1 year
Non-derivative financial liabilities						
Trade and Other Payables	98.89	98.89	-	13.01	13.01	-
Other Current Liabilities	30.22	30.22	-	67.56	67.56	-

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Foreign Currency Risk

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Equity Shares	As at 31 st March, 2025			As at 31 st March, 2024		
	INR	EURO (in Rupees)	USD (in Rupees)	INR	EURO (in Rupees)	USD (in Rupees)
Financial Assets						
Trade Receivables	3,756.40	-	511.24	3,027.60	-	957.34
Total	3,756.40	-	511.24	3,027.60	-	957.34
Financial Liabilities						
Trade payables	16.18	-	73.75	13.01	-	-
Total	16.18	-	73.75	13.01	-	-

The following significant exchange rates have been applied during the year:

Currency	Year-end Spot rate	
	31 st March, 2025	31 st March, 2024
USD	85.46	83.38

Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Equity Shares	Year ended 31 st March, 2025		Year ended 31 st March, 2024	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	1.09	-1.09	2.39	-2.39

(D) Cash flow and fair value interest rate risk

Interest rate risk management:

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

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long - term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

Interest rate risk exposure:

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Fixed-rate instruments		
Financial assets	2,676.18	1,900.61
Financial liabilities	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Total	2,676.18	1,900.61

- Interest rate sensitivity

Interest rate sensitivity

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

(iii) Price Risk

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

33. CAPITAL MANAGEMENT

(a) Risk management

The Company's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Net debt (Total Debt - Cash & cash equivalent - Other Bank Balances - Current Investment)	-	-
Total equity	12,021.25	11,608.75
Net debt to equity ratio	0.00%	0.00%

The Company has no debt as at March 31, 2025 (PY: No debt as at March 31, 2024)

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

The accounting ratios required derived from the Restated Financial Information under clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr. No.	Particulars	Note reference	31-Mar-25	31-Mar-24	% variance	Explanation for change in ratio for more than 25%
1	Current Ratio	a	38.60	39.92	-3.33%	NA
2	Debt – Equity Ratio	b	0.00	0.00	0.00%	NA
3	Debt Service Coverage Ratio	c	10.87	25.23	-56.91%	The reduction in finance costs has been smaller than the decline in profit.
4	Return on Equity (ROE):	d	3.49%	12.51%	-72.13%	RoE has declined due to the decline in profits.
5	Inventory Turnover (no. of days)	e	48.54	20.68	134.74%	Mainly Due to decline in Sales / Turnover. Inventory also increased by 35%.
6	Trade receivables turnover ratio (no. of days)	f	84.09	55.50	51.52%	Mainly Due to decline in Sales / Turnover. Receivables also increased by 7.6%.
7	Trade payables turnover ratio (no. of days)	g	1.35	0.45	203.33%	Trade Payables have actually declined by 55%. Since, COGS has declined by more than 40% that has led to increase in Trade Payables turnover.
8	Net profit ratio	h	2.31%	4.53%	-49.04%	The net profit has declined more than the decline in the turnover. Hence, the decline in Net profit ratio.
9	Net capital turnover ratio (No.of days)	i	207.74	115.61	79.69%	Capital invested in Working capital is at the same level as last year. However, due to decline in Turnover the Ratio has suffered.
10	Return on capital employed (ROCE)	j	5.74%	16.98%	66.19%	RoCE has declined due to the decline in Distributable profits.
11	Return on investment (ROI)	K	3.43%	11.91%	71.23%	RoI has declined due to the decline in Distributable profits.

Note:

- a Current ratio (in times): Current Assets/Current liabilities
- b Debt - Equity ratio: Total Debt divided by Equity
- c Debt Service Coverage Ratio (DSCR) (no. of times): Profit before interest, divided by Interest expense (net of moratorium interest, interest cost on unwinding (long term unsecured loans) and amortisation of transaction cost)
- d ROE: Net Profits after taxes – Preference Dividend (if any)/Average Shareholder's Equity
- e Inventory Turnover: Average Inventory/Sale of Products in days
- f Trade Receivables turnover: Average Trade receivables/ Turnover in Days

- g Trade Payable turnover = Average Trade Payables/Cost of goods Purchased in days
- h Net profit (in%): profit after tax/Revenue from operation
- i Net capital turnover ratio = (Average working capital/ Turnover in days)
- j ROCE: Earning before interest and taxes/Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)
- k Return on investment (ROI): PAT/Share Capital

NOTE 35: OTHER STATUTORY INFORMATION

- a The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- b The Company does not have any transactions with companies which are struck off

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

- c The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall):
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- f The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- g The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h The Company is not declared willful defaulter by any bank or financial institution or lender during the year.
- i The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- j The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at Balance sheet date.

NOTE 36:

Certain financial assets and financial liabilities are subject to formal confirmations and reconciliations, if any. The management, however, is confident that the impact whereof for the year on the financial statements will not be material.

NOTE 37:

Previous year figures have been re-grouped/re-classified wherever necessary to conform current years' classification.

As per our report of even date attached

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

For and on behalf of board of director
of **SARTHAK METALS LIMITED**

(Sankalp Sohaney)
Partner
M.No.: 434993

(Anoop Kumar Bansal)
Managing Director
DIN: 01661844

(Mayur Bhatt)
Whole-Time Director
DIN: 07586457

Place: Raipur (C.G.)
Date: 22.05.2025
UDIN: 25434993BMKWHG4599

(Pratik Jain)
Company Secretary
PAN-AUMPJ3071G

(Anirudh Singhal)
CFO
PAN-BELPS2753A

ATTENDANCE SLIP

30th Annual General Meeting

Name of the Company	: SARTHAK METALS LIMITED
Registered Address	: Hotel Ashish International, G.E. Road, Bhilai Power House - 490011
CIN	: L51102CT1995PLC009772
Email	: info@sarthakmetls.com
Telephone	: +91-9303773708
Website	: www.sarthakmetals.com
Name (In Block Letters)	:
Address	:
Registered Folio No./DP ID Client ID No.	:
Member/Proxy/Authorised Representative	:
No. of Shares held	:

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the 30th Annual General Meeting of the Company being held on Friday, 25th July, 2025 at 12:00 Noon at Hotel Ashish International, G.E. Road, Bhilai Power House – 490011.

Signature of Member/Proxy/Authorised Representative

Note(s):

1. Please fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L51102CT1995PLC009772
Name of the Company	:	SARTHAK METALS LIMITED
Registered Address	:	Hotel Ashish International, G.E. Road, Bhilai Power House - 490011
Name of the Member(s)	:	
Registered Address	:	
Email ID	:	
Folio No./Client ID	:	
DP ID	:	

I/We, being the member (s) of **SARTHAK METALS LIMITED** holding _____ shares, hereby appoint:

(1)

Name	:	
Address	:	
Email ID	:	
Signature	:	

or failing him

(2)

Name	:	
Address	:	
Email ID	:	
Signature	:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 30th Annual General Meeting of members of the Company, to be held on Friday, 25th July, 2025 at the registered office of the Company, Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 at 12:00 Noon and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix
Revenue
Stamp

S. No.	Resolutions	For	Against
ORDINARY BUSINESS			
1.	Adoption of Audited Financial Statements		
2.	Appointment of a Director retiring by rotation		
SPECIAL BUSINESS			
3.	Re-Appointment of Mr. Dwadasi Venkata Giri as Independent Director		
4.	To approve Material Related Party Transactions of the Company with M/s Bansal Brothers		
5.	Ratification of remuneration of Cost Auditor		
6.	Appointment of Secretarial Auditors		

Signed this..... day of 2025.

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



SARTHAK METALS LIMITED

Registered Office Address

BBC Colony, G.E Road,
Khursipar, Near Bhilai ITI, Bhilai
Chhattisgarh - 490011, India
Tel: +91-9303773708